Daily Report

Latin America

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FBIS-LAT-90-223 *19 November 1990*

CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

INTER-AMERICAN AFFAIRS

Colombia, Venezuela Propose Andean Pact Changes *[Madrid EFE]* 1
Rio Group To Meet With EC Foreign Ministers *[Santiago Radio]* 1
Perez Opens Conference on Peace, Security *[Hamburg DPA]* 1

Energy Ministers Discuss Regional Oil Market *[Brasilia Radio]* 2

Central Bank Affected by Economic Crisis *[San Jose LA NACION 3 Nov]* 2
South Pacific Commission Condemns Nuclear Test *[Madrid EFE]* 3

CARIBBEAN

Cuba

Aldana Rejects Talks With Miami Emigree Leaders *[Mexico City NOTIMEX]* 4
Havana Parallel Markets Ordered To Shut Down *[Havana TV]* 4
Commentary Criticizes U.S. Economic Strategy *[Havana Radio]* 4
Brazil Said To Oppose U.S. Embargo on Havana *[Havana Radio]* 5
Sugar Industry Minister on Fuel During Harvest *[Havana TV]* 5
New System Announced for Dairy Sector *[Havana TV]* 5
Castro Meets Venezuelan Cultural Delegation *[Havana Radio]* 5
Reportage on Guinean Delegation's Official Visit 6
Castro, Conte Open Talks *[Havana Radio]* 6
Juan Almeida Accompanies Conte *[Havana Radio]* 6
Castro Decorates Conte *[Havana Radio]* 6
Castro Hosts Reception *[Havana Radio]* 6
Castro, Conte Tour Pinar del Rio *[Havana Radio]* 7
Castro on Bicycle, Revolution *[AFP]* 7
Salvadoran Alleges Cover-up in Jesuit Deaths *[Havana Radio]* 7

Inter-Caribbean Affairs

Human Rights Activists Ask for Inquiry on Police *[CANA]* 7
Opposition To Boycott Constituent Assembly *[CANA]* 8

Antigua and Barbuda

Cabinet Favors Investigation of Melon Farm *[CANA]* 9

Dominica

Civil Servants Accept Government Wage Proposals *[CANA]* 10

Dominican Republic

Balaguer Addresses Fuel Crisis, Strike Threat *[Santo Domingo Radio]* 10

Haiti

CEP Updates List of Presidential Candidates *[Port-au-Prince Radio]* 12

BED President Comments on Election Fees, Dates *[Port-au-Prince Radio]* 13
Tear Gas Grenade Attack Reported in Capital *[Port-au-Prince Radio]* 13
Father Aristide Presents Social Reform Plan *[Port-au-Prince Radio]* 13

Jamaica

Government Receives British Medicine Donation *[CANA]* 14

St. Lucia

Compton To Open New Electricity Plant *[CANA]* 14

St. Vincent and the Grenadines

Mitchell To Head Assembly Planning Team *[CANA]* 14

MEXICO

Salinas, PAN Leaders on Election Irregularities *[NOTIMEX]* 15
Stability, Economic Growth Pact Extended *[Mexico City TV]* 15
PRI Leadership, Organizational Changes Reported *[Mexico City TV]* 16
Pemex Director Reports on Oil Revenues *[Mexico City TV]* 16
Industrialist Cautions on Free Trade Agreement *[NOTIMEX]* 16

CENTRAL AMERICA

Costa Rica

Cuban Dissidents Call for Popular Consultation *[LA REPUBLICA 6 Nov]* 17

El Salvador

Ponce: Army To Be Revamped Regardless of Demands *[ACAN]* 17
FMLN Infiltrator on Plans To Attack Barracks *[EL DIARIO DE HOY 15 Nov]* 17
FMLN Claims Killing 14 Troops, Wounding 34 *[AFP]* 18
Clashes Between FMLN Guerillas, Army Reported *[ACAN, etc.]* 18
Government on FMLN's Human Rights Violations *[EL DIARIO DE HOY 17 Nov]* 18
First Anniversary of Jesuits' Murder Marked 19
Spanish Delegation Wants Case Solved *[San Salvador TV]* 19
FMLN Communique on Anniversary *[San Salvador Radio]* 19
Cristiani Discusses Case *[Madrid Radio]* 19
Rosa Chavez Views Anniversary *[San Salvador Radio]* 20
Half of Country Without Power After Rebel Attack *[San Salvador TV]* 20
MNR's Ungo: U.S. Policy To Determine Peace *[Mexico City NOTIMEX]* 20
Delegation Meets With FMLN in Mexico 12 Nov *[EL MUNDO 14 Nov]* 21

Guatemala

U.S. Said 'Exerting Pressure' on Human Rights *[SIGLO VEINTIUNO 13 Nov]* 22
Human Rights Group on Disappearances, Excecutions *[ACAN]* 22
Bolanos on Protecting Citizens in Runoff Elections *[DIARIO DE CENTRO AMERICA 14 Nov]* .. 22
TSE Explains Configuration of Next Legislature *[EL GRAFICO 16 Nov]* 23
Presidential Candidates Said To Meet URNG *[SIGLO VEINTIUNO 16 Nov]* 23

Honduras

Group Urges U.S. To Stop 'Interfering' *[ACAN]* 24

Nicaragua

Unrest Stemming From Region 5 Blockades Endures 24
Region 2 Mayors Back Chamorro *[LA PRENSA 16 Nov]* 24
Protesters Retake Masaya Building *[Managua Radio]* 24
Ex-Contras Said Harassing Travelers *[Managua Radio]* 25
Government Accused of Promoting War *[Managua Radio]* 25
Barricades Not Removed Despite Accord *[Managua Radio]* 25
Increased Army Presence Denounced *[Managua Radio]* 25
Legislative Assembly Backs Chamorro *[Managua Radio]* 25
Bishops Ask People To Remain Calm *[Managua Radio]* 26
Vega Doubts Veracity of Report *[EL NUEVO DIARIO 17 Nov]* 26
Region 5 Movement Hits Government *[Managua Radio]* 27
Region 5 Mayors Demand Sanchez Release *[Managua Radio]* 27
Removal of Roadblocks Denied *[Managua Radio]* 27
Region 5 Movement on Government Talks *[Managua Radio]* 28
Sanchez Transferred to Managua Hospital *[AFP]* 28
Disruption 'Virtually Aborted' *[Managua Radio]* 28
Godoy Attends Meeting of Mayors *[ACAN]* 28
New Party PNN Issues Four-Point Communique *[Managua Radio]* 29
Comparison of FSLN Communique on Violence 29
Reportage on Daniel Ortega's Visit to Iraq *[cross-reference]* 30

Panama

Endara Comments on Rapprochement With Cuba *[Madrid EFE]* 30
Ford Discusses TALM, Cuba, Domestic Issues *[Panama City Radio]* 30
Newspapers View Noriega Tape Leak by CNN *[LA PRENSA 12 Nov, etc.]* 35

SOUTH AMERICA

Argentina

Disagreement Remains in UK Negotiations *[CLARIN 15 Nov]* 36
Cavallo Returns, Comments on Talks *[DYN]* 36
Clarifies 'Unilateral Measures' *[TELAM]* 37
Further on Talks With UK, Gulf *[DYN]* 37
Menem on New Credits, Gulf Crisis *[TELAM]* 37
Economy Minister Ratifies Streamlining Plan *[BUENOS AIRES HERALD 16 Nov]* 38
Official Says Army Has 'No Open Wounds Left' *[TELAM]* 38
More on Violence at Trade Union Rally *[BUENOS AIRES HERALD 16 Nov]* 39
Correction to Metalworkers Union Pulls Out 39

Bolivia

Government Protests Raid on Embassy in Kuwait *[EL DIARIO 8 Nov]* 39
Government Refuses To Comply With Tax Ruling *[PRESENCIA 7 Nov]* 40
President Paz Comments on Crisis *[Madrid EFE]* 40
Impeachment Seen as Nonnegotiable *[La Paz Radio]* 41
Chief Justice Views Impeachment as 'Aggression' *[La Paz Radio]* 41
Minister Explains Position on Drug Trafficking *[EL DIARIO 9 Nov]* 42
Gang Forging Counterfeit U.S. Visas Dismantled *[La Paz TV]* 42
IMF Disburses $32.5 Million for Program *[EL DIARIO 8 Nov]* 42
Spanish Police Deliver Communications Gear *[Madrid EFE]* 42

Brazil

President Returns, Meets Economic Team *[Rio de Janeiro TV]* 43
Four Mendes Company Workers Return From Iraq *[Rio de Janeiro TV]* 43
Flexibility Planned for Debt Negotiation Proposal *[O GLOBO 16 Nov]* 43
Budget Battle for Military Expenditures Detailed *[FOLHA DE SAO PAULO 12 Nov]* 44

Secretaries Disagree Over Nuclear Program *[O GLOBO 15 Nov]* 44
Collor Vetoes Overseas Assignment for Nazareth *[VEJA 14 Nov]* 45
World Bank Grants Loans Totalling $450 Million *[Madrid EFE]* 45
Reserve Level, Trade Statistics Announced *[FOLHA DE SAO PAULO 10 Nov]* 45

Chile

Canadian Killed by Bomb; 1 American Injured *[Santiago Radio]* 45
U.S. Embassy Officer Injured *[Santiago Radio]* 45
PLO Claims Responsibility *[Santiago Radio]* 46
Representative Denies Attack *[Madrid EFE]* 46
Security Officer Undergoes Surgery *[Santiago Radio]* 46
Government Condemns Actions *[Madrid EFE]* 46
U.S. Court Decision on Letelier Case Applauded *[Madrid EFE]* 47
Escaped Political Prisoner Dies in Clash *[Santiago Radio]* 47
Further Reportage on Dead Terrorist *[Santiago Radio]* 47
Air Force Official on Joint U.S. Maneuvers *[EL MERCURIO 6 Nov]* 48

Colombia

Telecommunications Normalized in Wake of Strike *[Bogota Radio]* 48
Councilman Killed, Deputy Wounded in Antioquia *[Madrid EFE]* 48
EPL Commander Confirms Dialogue To Continue *[Bogota TV]* 48
M-19's Navarro Discusses Assassination Plot *[Bogota TV]* 49

Ecuador

Indians Suspend Talks With Government *[AFP]* 49

Peru

Fujimori Warns Public Workers, Defends Paper *[Lima Radio]* 50
Some Public Workers Join Strike *[Lima TV]* 50
Social Security Workers Defy Strike Ultimatum *[Lima TV]* 51
CITE Continues Partial Strike *[Lima Radio]* 51
Decree Regulating Strikes Approved *[Lima Radio]* 51
More on Antistrike Measures *[Madrid EFE]* 52
Labor Leaders Vow To Continue *[Madrid EFE]* 52
Fujimori on Plans To Fight Drug Trafficking *[Lima TV]* 53
Further on Fujimori's Plan *[Madrid EFE]* 53
President Fujimori Discusses Domestic Issues *[LA REPUBLICA 8 Nov]* 54
Fujimori Confirms Arrest of MRTA Deputy Chief *[Madrid EFE]* 57
Huanuco Police Post Attacked; Lima Judge Killed *[Madrid EFE]* 58

Colombia, Venezuela Propose Andean Pact Changes

PA1611044090 Madrid EFE in Spanish 0029 GMT 12 Nov 90

[Text] San Cristobal, Venezuela, 11 Nov (EFE)—Colombian President Cesar Gaviria stated today that it is necessary to modify the Andean Pact to adapt it to the new international reality.

Gaviria and Venezuelan President Carlos Andres Perez gave a news conference in this city in the Venezuelan Andes, 700 km west of Caracas, at the conclusion of the meeting in which the process of bilateral integration, started by both nations 20 months ago, was analyzed.

Venezuela and Colombian are in permanent contact to propose to the Andean Pact the modifications which are essential for the bilateral agreements that have begun to flourish in relations between Latin American nations.

The Colombian president said that the Andean Pact, made up of Colombia, Bolivia, Ecuador, Peru, and Venezuela, requires more flexibility to facilitate bilateral agreements between the Latin American nations and the United States.

Gaviria added that U.S. President George Bush's Initiative for the Americas to create a free trade zone in the Western Hemisphere has opened a road to bilateral agreements, which results in quite a sensible proposal, taking into consideration the current state of the relations among the region's nations.

The Colombian president said that the Cartagena Agreement's flexibility is also essential for any agreement which the Andean Pact members could approve with Southern Cone nations.

It is important that the Andean Pact as well as the ALADI [Latin American Integration Association] open their doors to those agreements.

The Colombian president said that the Venezuelan and Colombian Governments have the same points of view with regard to this matter.

Likewise, Perez said that Venezuela and Colombia, without pretending to be the leaders, can cooperate by their example with the several ongoing integration processes in Latin America.

Perez stated that the creation of the so-called Group of Three (Mexico, Colombia, and Venezuela) is not contrary to the Andean Pact nor to ALADI, but rather is another driving force and example which they want to give Latin America.

Perez and Gaviria also made reference to the drug trafficking problem which affects these two bordering nations, and reiterated the will of their respective governments to cooperate on this issue.

Perez said that Colombia is living a brutal war, caught between the drug traffickers' actions and the Colombian State, adding that this is not the situation in Venezuela, which only serves as a bridge for drug trafficking.

Perez stated, however, that as a bridge for drug trafficking Venezuela could also become a haven for money laundering, which is why he recently signed an agreement with the United States. Perez concluded by saying that the search for joint operations with Colombia will continue to confront the drug trafficking problem.

Rio Group To Meet With EC Foreign Ministers

PY1611213490 Santiago Radio Cooperativa Network in Spanish 2200 GMT 14 Nov 90

[Text] Foreign Ministry representative Claudio Vazquez has said that Latin American countries are preparing to establish new relations with Europe. Vazquez made this statement in discussing the results of the Rio Group meeting in Venezuela. Vazquez said the group agreed on the agenda for a meeting of Rio Group and EC foreign ministers.

Latin American Foreign Ministry experts discussed the issue over the three days of meetings and agreed to include the foreign debt, drug trafficking, environmental protection, and industrial cooperation, among other issues, in the meeting agenda.

EC and Rio Group foreign ministers will meet in Rome on 20 December. Claudio Vazquez said that this summit is a kind of answer to the effects of the European unification that will begin in 1992.

[Begin Vazquez recording] The establishment of new relations between Latin America and Europe is an urgent matter because Europe will be united in 1992. There will be a qualitative change in inter-European relations. The issue here is to create the conditions in Latin America for new relations with a unified Europe. [end recording]

Rio Group countries, which include Chile, will bring a joint position to the Rome meeting. We will discuss cooperation, the institutionalization of relations between the two blocs, and future joint actions, Vazquez stressed.

Perez Opens Conference on Peace, Security

PA1711014690 Hamburg DPA in Spanish 2321 GMT 16 Nov 90

[Text] Caracas, 16 Nov (DPA)—Venezuelan President Carlos Andres Perez has said the crisis of the inter-American system urgently demands the creation of new forms of cooperation to deal with the problems of security. He also said the U.S. invasion of Panama has revived the region's distrust of the United States.

Perez said this at the opening of the Assembly for Democratic Peace and Security in Latin America, which is being attended by several former presidents and more than 100 participants.

The crisis of the inter-American system arises from the end of the East-West conflict and from the region's weakness in dealing with its own problems when they do not coincide with those of Washington, Perez added.

Examples of this are the U.S. invasion of Panama and the U.S. support for Great Britain during the Falklands war. "It is imperative that we find new forms of cooperation to face our security problems," Perez indicated.

The president called for a redefinition of the principle of nonintervention by the OAS, "so that this principle will not become a means of impunity and immunity for those who violate democratic security and do not respect the people's will."

The three-day event, organized by the South American Peace Commission, seeks to approve on 18 November a draft treaty for the creation of a peace zone in the region and a proposal on cooperation in border areas.

In working meetings, the participants, including former Presidents Belisario Betancur and Alfonso Lopez Michelsen of Colombia and Lidia Gueiler of Bolivia, analyzed the role of Latin America in the last decade of this century.

According to their view, the region must create political conditions to make integration possible, seek greater cooperation with the European Community, and assume a greater role in the development of a free market as proposed by the Enterprise for the Americas initiative of U.S. President George Bush.

The draft treaty for a peace zone must define the measures for mutual trust, prohibit the existence of military bases representing those from outside the region, and demand that nuclear installations be used only for peaceful purposes.

The end of the war in Nicaragua, the current dialogue between the Salvadoran Government and guerrillas, and the return of some Colombian guerrilla groups to civilian life are signs of peace in the continent, Perez said. Nevertheless, the region still has to solve the problem of drug trafficking, a problem for which the United States is also responsible. It must be solved by combatting drug trafficking and through social and economic aid.

Energy Ministers Discuss Regional Oil Market

PY1511141690 Brasilia Domestic Service in Portuguese 2100 GMT 13 Nov 90

[Text] The Latin American energy ministers who are meeting in Rio de Janeiro have not reached a consensus over the creation of a regional oil common market. The energy ministers from the 26 Latin American countries who have been meeting since yesterday in the Rio Palace Hotel in Rio de Janeiro have differing opinions regarding the creation of a Latin American oil common market. The final document of the 21st [as heard] Latin American Energy Conference is not finished, partly because of the differing opinions regarding the subject.

One wing, defended by Venezuelan Energy Minister Celestino Armas, proposes the idea of an oil common market idea. Another wing, headed by Mexican Energy Under Secretary Alberto Escofet, considers it unfeasible. According to Armas, a Latin American and Caribbean oil common market envisages great goals within the integration process. These ambitious goals must take into consideration the time they will take to become a reality in the industrialized countries.

According to Armas, the creation of a mineral energy market in the Latin American continent (?may not) be unfeasible if there is a political will for integration among the countries of the region. For the Mexican representative, however, the issue depends on a consensus among all countries and on already signed trade agreements.

The Mexican energy under secretary said that he thinks that if there is an oil crisis following a war in the Persian Gulf, Mexico will not be able to help Brazil not only because of the (?quality) of its oil, which is very heavy, but also because 50 percent or 1.3 million barrels per day of the 2.5 million barrels per day [figures as heard] that Mexico produces are exported mainly to France, Spain, United States, and Central America.

Central Bank Affected by Economic Crisis

PA1711190890 San Jose LA NACION in Spanish 3 Nov 90 p 29A

[Report by Ronald Moya Chacon]

[Text] The Central American Bank of Economic Integration (BCIE) plans to dismiss 82 employees to help resolve its economic crisis, which has deteriorated because affiliated countries are not repaying their loans.

This measure was announced by Carlos Jose Rodriguez, BCIE director for Costa Rica, at a news conference held on 2 November at the regional office.

Fifty-five employees will be dismissed at BCIE's headquarters in Honduras, 18 at regional offices, and nine from the directors' offices.

Six out of the 16 employees working in Costa Rica will be dismissed.

BCIE's severe economic crisis, whose most noticeable effect is the lack of liquidity to attend its obligations, became an issue a few weeks ago due to the five Central American countries' failure to repay their loans.

A report issued by the Costa Rican Regional Office indicates that the repayment delinquency amounts to $641 million. Nicaragua owes the most and El Salvador the least. (See table)

Debtor Countries (in millions of dollars)	
Country	Amount
Guatemala	$ 63
El Salvador	$ 61.5
Honduras	$157.8
Nicaragua	$276.6
Costa Rica	$ 82.5
Total	$641.4

This outstading sum is 30 percent of the total loaned by the BCIE to its affiliate countries, which received $2.1 billion in loans overall.

Apart from personnel reduction, Rodriguez did not rule out that severe measures might be taken against those countries that fail to repay their obligations within the next few weeks.

The sanctions will take place at a directors' meeting to be held in Tegucigalpa this month.

Meanwhile, efforts are being made to seek new funds through traditional international BCIE lenders, which may serve to momentarily ride out the liquidity crisis.

The Central American presidents will hold a summit in Puntarenas on 15 and 16 December to analyze a plan intended to restructure BCIE to make it more efficient. A proposal to earmark most BCIE funds to productive sectors will be discussed. So far, most loans have gone to the public sector.

Rodriguez reported that if the liquidity crisis is overcome, a five-year plan will be immediately implemented to funnel about $1 billion into the area, most of which will be directed to the productive sector.

South Pacific Commission Condemns Nuclear Test

PY1711193290 Madrid EFE in Spanish 0317 GMT 16 Nov 90

[Text] Santiago, 16 Nov (EFE)—The Permanent South Pacific Commission (CPPS) today sent a note of protest to the French Government to strongly condemn a new nuclear test in the Pacific Ocean—the fifth this year.

The CPPS Secretariat General, which is made up of Colombia, Ecuador, Peru, and Chile, regretted the most recent nuclear detonation by the French in Fangatau, near the Mururoa Atoll.

The secretariat's note reaffirms "the CPPS' categorical opposition to nuclear explosions in this ocean basin, as expressed each time the organization hears about one of these tests."

"The Secretariat General again warns about the serious risk that nuclear explosions pose to ocean life and its resources, reaffirms its opposition to and strong protest against the continuation of these tests, and again demands their immediate and final cessation," the note concluded.

Cuba

Aldana Rejects Talks With Miami Emigree Leaders

PA1811030390 Mexico City NOTIMEX in Spanish 1931 GMT 15 Nov 90

[Text] Havana, 15 Nov (NOTIMEX)—The Cuban Government reiterated today that it will not recognize any of the counterrevolution leaders who live in exile in Miami. This was said today by Carlos Aldana, secretary of ideology of the Cuban Communist Party's [PCC] Central Committee.

Interviewed by NOTIMEX, Aldana said that the Cuban Government is preparing the "total" relaxation of its migratory legislation so that those who want to leave the country can do so.

Aldana reiterated, however, that the changes in Cuba's migratory policy do not mean the establishment of talks with "the leaders of the counterrevolution who live in Miami, because none of them deserve respect."

Aldana, a high-ranking PCC official, said that Cuba has the political willingness to facilitate the departure of the citizens who wish to leave, but "the government will not pay for the fares."

According to current Cuban legislation on the matter, only people who are 45 years or older can leave the country, provided they receive the ticket from abroad. Aldana asserted that approximately 27,000 Cubans have "all their papers ready" to leave the country, but the United States "refuses to grant them visas."

The PCC member added that not all the members of the Cuban community in Miami identify themselves with the counterrevolution.

Regarding the possibility of holding talks with members of the Cuban community who live in Miami, Aldana said that the Cuban Government will only talk to those who will sever ties with the counterrevolution. Among these leaders, he cited Jorge Mas Canosa, who presides over the Cuban-American Foundation.

Aldana noted that Mas Canosa as well as Toni Barona and Nazario Zarjen, "who engage in petty politicking," receive the support of the U.S. Republican Party.

Aldana stressed that "only those who are on the island have a say" in the future of Cuba.

Havana Parallel Markets Ordered To Shut Down

FL1711124590 Havana Tele Rebelde Network in Spanish 1200 GMT 17 Nov 90

[Text] Starting tomorrow, Sunday, the Centro Supermarket, the Unico Market, and others will close their doors for as long as the special period lasts. A report published in the third edition of GRANMA notes that these important markets—far from continuing to be an option for the working class—have essentially become places where parasitic and anti-social individuals and professional line-standers gather, and they were (?entering) [words indistinct] of the people or were not allowing these goods to reach the populace.

At the same time, it has been confirmed that under the current conditions of limitations in the availability of products, the rest of the special network has no real reason to remain open for this purpose, while it is being turned into a source of spending that does not accomplish anything. The report adds that products such as rice, coffee, and others that were sold freely will continue to be sold on the normal marketing network.

Commentary Criticizes U.S. Economic Strategy

FL1511190590 Havana Radio Rebelde Network in Spanish 1800 GMT 15 Nov 90

[Station commentary]

[Text] The U.S. strategy regarding Cuba is based on what it is called low-intensity conflict scheme. Conceptually, this scheme has short-range and long-range stages. Some of them have been on the works for a long time. The increase in the blockade against Cuba goes along these lines. The latest expression of this was the discussion and approval by the U.S. Congress of the Mack Bill which attempts to ban the U.S. companies' subsidiaries in third countries from trading with Cuba or ban ships from any country from arriving in U.S. ports if they have previously shipped goods to or from Cuba.

The U.S. Administration also wants to use the Cuban community abroad and its most reactionary sector, the Cuban-American Foundation led by multi-millionaire Mas Canosa, for the establishment of a dialogue among Cubans which reminds us when the former Reagan administration asked at Manzanillo, Nicaragua, that the Sandinist Front hold talks with counterrevolutionaries.

President Bush and his wonderful Americas initiative, while it sets a trap to the unity process that began to be seen in the region, also attempts to pressure the Latin American governments to make changes or demands in their relations with Cuba. This is the key [previous word in English] in Latin American relations, my friends. Those who are not friends, will define their positions within the framework of this strategy.

All Cuba asks for is the respect of our determination to continue the path we have freely chosen. Whoever approaches Cuba proposing economic relations in exchange of concessions in the country's domestic policies, should know that they are playing the game of imperialists and, of course, its scheme of low-intensity conflict.

Brazil Said To Oppose U.S. Embargo on Havana

FL1711002490 Havana Radio Rebelde Network in Spanish 0004 GMT 17 Nov 90

[Text] Brazilian Foreign Minister Francisco Rezek today reportedly deplored a U.S. bill that intensifies the economic embargo against Cuba. Brazil does not consider it appropriate to implement a policy that further closes off opportunities for trade, or to apply economic sanctions, the Brazilian chief diplomat told the press in commenting on the new U.S. measure against Cuba.

The U.S. Congress has already approved a law forbidding U.S. companies with branches in third countries to trade with our country. We will never approve of the use of economic tactics that cause unfair detriment to other nations, the Brazilian foreign minister said in expressing an opinion of the new U.S. measure that steps up the trade embargo against Cuba.

Sugar Industry Minister on Fuel During Harvest

FL1611155590 Havana Tele Rebelde Network in Spanish 1502 GMT 16 Nov 90

[Text] The Ministry of Sugar Industry [Minaz] accounts for 80 percent of exports and only uses 12 percent of the country's labor force. This was said in this capital by Sugar Industry Minister Juan Hererra. He added that the harvest is thought to be Minaz's only task, but in reality it is part of a process that begins in the fields and ends with the ships.

Referring to the fuel supply, the Minaz minister said the sugar industry is the only national industry that can operate without fuel inasmuch as it is capable of processing current or higher amounts of crude sugar and its various derivates without this resource. The struggle now, explained Sugar Industry Minister Juan Herrera, is how to obtain a balance of energy in sugar mills so that additional energy is not consumed. He added that the fuel problem in the harvest lies in the cutting process.

The sugar industry minister mentioned animal traction as one of the methods used in the industry to reduce the energy and fuel consumption in agricultural activities. He noted that work is being done to use some 9,000 oxen teams to replace 6,000 tractors in the planting, clearing of obstacles, and other activities.

Juan Herrera reported the efforts being made in his ministry to reduce staffing and personnel roasters, and gave as an example how only 12 to 14 persons are working now in management, which is less that the ones employed during the capitalist stage.

The sugar industry minister said salary norms will be reduced this year and that no reaction has been noticed in terms of the organization of work. The problems in that area are being solved through the introduction of science and technology in industrial processing.

New System Announced for Dairy Sector

FL1611143390 Havana Tele Rebelde Network in Spanish 1330 GMT 16 Nov 90

[Text] A new technical and organizational system that will make possible the development of production potential and increase milk deliveries will begin to be implemented in the dairy sector in the entire country. The system includes salary changes and is based on dedication, multi-assignment, better attention to man, collective discipline, and reduction of indirect production personnel and statistical models.

With the new method, payment from the chief to the laborer are directly linked to production results. Technical posts are eliminated. Those who used to hold them will be assigned production-related responsibilities.

Castro Meets Venezuelan Cultural Delegation

FL1711185590 Havana Radio Rebelde Network in Spanish 1800 GMT 17 Nov 90

[Text] Jose Antonio Abreu, minister of state [as heard], president of the Venezuelan Cultural Institute, and special envoy of President Carlos Andres Perez, departed Cuba this morning after a stay of a few hours at the invitation of his counterpart, Armando Hart. It was a short but mutually very beneficial visit concerning cultural issues and Latin American integration. Jose Antonio Abreu attended last night's opening of an exhibit by the outstanding Venezuelan painter Carmen Montilla Tinoco at the Castillo de la Fuerza, with speeches by both the Cuban and Venezuelan culture ministers. He also participated in the reception held by Commander in Chief Fidel Castro for the Venezuelan cultural officials who had spent a week touring cultural facilities.

In granting a few words to the press at Jose Marti International Airport, Minister Abreu referred to his meetings in Cuba.

[Begin recording] [Abreu] With all the high-level officials in the Ministry of Culture, and last night with the commander in chief, with whom we spoke at length, and he was kind enough to receive the Venezuelan cultural delegation with great generosity and time, and share several hours of very interesting cultural conversation. [sentence as heard]

[Unidentified reporter] A meeting [words indistinct] with the Venezuelan cultural delegation?

[Abreu] That is correct. We had a lengthy meeting, a lengthy and very cordial meeting. [end recording]

Reportage on Guinean Delegation's Official Visit

Castro, Conte Open Talks

FL1511192890 Havana Radio Rebelde Network in Spanish 1800 GMT 15 Nov 90

[Text] Official talks between Cuba and Guinea began this morning. They were headed by the presidents of the two countries, Fidel Castro and Lansana Conte. Earlier, the president of the Republic and head of the Military Committee for National Recovery, placed a floral wreath at the foot of the Jose Marti monument at the Revolution Square. Division General Lansana Conte arrived in our country on Wednesday on an official and work visit.

He is accompanied by his wife Henriette Conte. The Guinean delegation is also composed of planning and cooperation minister, public health and population minister, and the chief of the civilian cabinet of the presidency of that African republic. The director general of the cooperation ministry, the adviser to the foreign minister, and other officials from the Education and Public Health Ministries also form part of the mission.

The Guinean president and the delegation accompanying him will remain in Cuba until Sunday 18 November. They will visit centers of scientific, cultural, and economic interest in Pinar del Rio and the capital as well as the Hendrick Witbooi School on Isle of Youth.

Tonight, Lansana Cote will be decorated with the Jose Marti National Order during an official ceremony held at the Palace of the Revolution.

Juan Almeida Accompanies Conte

FL1511231890 Havana Radio Reloj Network in Spanish 2302 GMT 15 Nov 90

[Text] Guinean President Division General Lansana Conte visited the House of Africa, located in the historic center of Old Havana, this afternoon. He was accompanied by Commander of the Revolution Juan Almeida Bosque. The Guinean statesman toured the halls of the House of Africa, a section of the Havana City Museum, whose director and historian, Eusebio Leal, briefed him on the purposes of the institution; namely, to disseminate African history and culture.

During his visit, President Lansana Conte gave the House of Africa a valuable wooden carving to be added to the ethnic museum's collection.

The Guinean president and the high-level delegation that is accompanying him also toured the House of Mexico.

Castro Decorates Conte

FL1611035490 Havana Radio Reloj Network in Spanish 0332 GMT 16 Nov 90

[Text] In a solemn ceremony at the Palace of the Revolution, Commander in Chief Fidel Castro awarded the highest national decoration, the Order of Jose Marti, to Guinean President Lansana Conte. Jaime Crombet Hernandez Vaquero, vice president of the Cuban Council of Ministers, said in the keynote speech at the ceremony that the ties between our two countries are historical, not only because the sons of Guinea helped to forge the Cuban nationality, but also because Guinea was one of the first African countries with which the Cuban revolutionary government established diplomatic relations.

During the solemn ceremony to decorate Guinean President Lansana Conte, Crombet said that the international economic situation and our mutual condition as Third World countries oblige us to promote and deepen the ties between us. For this reason, he said, we greatly appreciate the Guinean people's interest in seeking new forms and ways to develop cooperation and trade between our two nations.

The Guinean statesman, in giving thanks for the distinction accorded him, expressed his gratitude to the Cuban Government and people for the award, a symbol of the ties of friendship and solidarity that unite us.

Castro Hosts Reception

FL1611183890 Havana Radio Rebelde Network in Spanish 1800 GMT 16 Nov 90

[Text] Republic of Guinea President Lansana Conte is touring today Pinar del Rio Province as part of the agenda of the visit he is paying at the invitation of Commander in Chief Fidel Castro. Among the places of economic interest he is going to are the rice engineering program, the pre-cooked rice plant, and the hydraulic system in the Pinar del Rio territory.

During his stay in Cuba, Conte, who is also head of the Military Committee for National Recovery of Guinea, was decorated with the Jose Marti National Order bestowed on him by President Fidel Castro during a solemn ceremony. Jaime Crombet, vice president of the Council of Ministers, speaking at the Palace of the Revolution, highlighted Lansana Conte's merits and said the conferring of that decoration is clear proof of the historic friendship uniting Cuba and Guinea.

For his part, the Guinean president expressed his appreciation for the decision made by the Cuban Council of State and said that more than a distinction it is symbol of the solidarity existing between the two countries.

Later, the visitor and the delegation accompanying him attended a reception offered in his honor by Commander in Chief Fidel Castro. Other leaders of the Cuban party and government and members of the diplomatic corps accredited to our country attended the reception.

Official talks headed by the two presidents were held on Thursday. Alternatives were considered so that cooperation relations between the two countries are boosted under the current conditions.

Castro, Conte Tour Pinar del Rio

FL1711004890 Havana Radio Rebelde Network in Spanish 0010 GMT 17 Nov 90

[Text] Commander in Chief Fidel Castro today accompanied Guinean President Lansana Conte in a tour of hydraulic works in San Cristobal municipality in Pinar del Rio province. Fidel explained to Lansana, who is also president of the Military Committee for National Recovery of Guinea, aspects of the hydraulic development of the province.

At the La Paila dam, where the adjacent works are still under construction, Fidel pointed out to Lansana Conte the benefits of this important engineering complex. He emphasized the enormous usefulness of water to the sugar cane and rice areas in southern Pinar del Rio.

According to a report from the National Information Agency, the Guinean president and the delegation that he heads on his official visit to Cuba toured projects that are under way to dam water from rivers for use in irrigating cane and rice, which require a great deal of water, as well as other crops.

The president of the Cuban Councils of State and of Ministers told his guests that it is of interest to dam all rivers to benefit crops, and that at present new methods of planting are being employed that almost double the rice yield.

In addition, Lansana Conte and Fidel went to Candelaria municipality, where builders from the Blas Roca contingent are building the Bayate II dam, which was initiated in October. They are a special force that is highly productive, the head of the revolution said in commenting on the work of these men, who are also building the Combate de Rio Hondo dam in San Cristobal.

Lansana Conte began his tour in the early morning under a tenacious rain, which nevertheless did not keep him from visiting other economic development project sites in the company of Fidel Ramos Perera, first secretary of the Communist Party of Cuba in Pinar del Rio, and Adolfo Diaz, vice president of the Council of Ministers.

Castro on Bicycle, Revolution

PA1811024690 Paris AFP in Spanish 0457 GMT 17 Nov 90

[Text] Havana, 16 Nov (AFFP)—On Thursday night Fidel Castro drew a humorous comparison between the bicycle and politics in his country, noting that "in the small queen [la pequena reina]—the revolution—there is no turning back, although it does have brakes."

Speaking to AFP reporters outside the reception held in honor of Guinean President Lansana Conte, who is on an official visit to Cuba, Castro stressed the advantages of the bicycle, which is being promoted as a popular means of transportation on the island because it conserves energy.

"There was the stone age, then the bronze age (...), and now we are entering the bicycle age," the Cuban president added, confessing that he had tried a Chinese bicycle and had not enjoyed it.

Cuba has ordered hundreds of thousands of bicycles from China. He is preparing to have them replace public transportation in case gas becomes scarce on the island.

Salvadoran Alleges Cover-up in Jesuit Deaths

FL1711023890 Havana Radio Rebelde Network in Spanish 0045 GMT 17 Nov 90

[Editorial Report] Havana Radio Rebelde Network in Spanish at 0045 GMT on 17 November carries as part of its "Exclusivo" program a three-minute live or recorded interview with Gregorio Pena, "a participant in the guerrilla offensive in November 1989 in El Salvador, and a member of the Farabundo Marti National Liberation Front," by an unidentified reporter, in the "Exclusivo" studios. The station announces that this interview is being broadcast to mark the first anniversary of the killing of five Jesuit priests in El Salvador.

Pena comments on the deaths of the Jesuits, saying that no one has been punished for it. He says there are indications that other Salvadoran Army officers who have not been charged were also involved in the killing and the subsequent cover-up. He adds that it is well known that the United States has also been trying to cover up the crime, because U.S. officials had inside knowledge of it.

Discussing the guerrilla offensive of November, 1989, Pena says that its most important result was that "our military offensive was transformed into a strategy for a diplomatic offensive that led to the table of negotiations."

Inter-Caribbean Affairs

Human Rights Activists Ask for Inquiry on Police

FL1611173090 Bridgetown CANA in English 1316 GMT 16 Nov 90

[Text] Bridgetown, Barbados, Nov 16, CANA—A criminal lawyer, Doodnauth Singh, has called for an independent board to hear complaints against Caribbean police officers.

The Guyanese lawyer recommended "an independent complaints board in each of the territories", with members including lawyers and former high court judges. The suggestion came Thursday night during the monthly Canaradio "Caribbean Crossfire" programme, which focused on concerns about police abuse of power.

Singh complained of brutality and corruption in the Guyana police force. He said the police investigated complaints against themselves and "the result is that the report is unsubstantiated."

"Perhaps if you had an independent commission, an independent complaints board, comprising of practising lawyers, former high court judges, police officers as well, and civic-minded citizens, then there could be some alleviation of the complaints that are being made," he added.

He said, however, that the economic situation in Guyana was such "that it is hardly likely the quality of police officers can improve." Guyana has been going through lean economic times. Singh described salaries in the police force there as low, saying "only the lower elements—without any sort of entitlement to be policemen—join the police force." In addition, he said, there was "a terrific shortage" of police officers, resulting in inadequate staffing of stations.

"The police officers who are there want to get their crime solved as quickly as possible," he remarked. "The result of that is to brutalise the suspect." The lawyer charged that policemen "are of the view that when persons are taken into custody they are entitled to treat them harshly and to beat them because that is the only way they would be able to solve crime." He calculated that 90 percent of the criminal matters before the courts "are based on confession" and "police work is made easier by getting a confession from a suspect."

Also taking part in the discussion were Flo O'Connor of the Jamaica Human Rights Association; Barbadian Magistrate Haynes Blackman; and Haitian human rights activist, Jean Claude Bajeaux.

Jamaican policemen sometimes turn to big businessmen or drug dealers to supplement their pay, according to human rights activist, Flo O'Connor.

"The pay is small," she said Thursday night during the monthly "Caribbean Crossfire" discussion programme of CANAradio, the CARIBBEAN NEWS AGENCY's radio arm.

"...They get themselves attached to a large businessman and get on the pay bill or, worse yet, they get involved with the drug dons and get on their pay bill." She asserted, however, that "good, decent policemen still abound" in the force.

The Canaradio programme, which also involved Barbadian Magistrate Haynes Blackman, Guyanese lawyer Doodnauth Singh, and Haitian human rights activist Jean Claude Bajeaux, focused on concerns about police abuse of power.

The Jamaica Human Rights Association's spokeswoman said younger policemen were giving the force a bad reputation "through corruption, through their linkages to politicians, and the political system. We have not been able to attract, or we are no longer able to attract, educated people into the force," she complained.

"...The people we now have entering the force are products of a society which has lost its soul, has lost its focus, has lost its sense of values, so we are in a crisis in Jamaica."

She said poor persons were usually at the receiving end of police brutality. "We will have to find ways of ridding the force of the bad eggs," she remarked, "while at the same time holding up as role models the good, decent policemen (who) still abound in our force."

Opposition To Boycott Constituent Assembly

FL1711191090 Bridgetown CANA in English 1852 GMT 17 Nov 90

[Report by Peter Richards]

[Text] Castries, St. Lucia, Nov 17, CANA—Opposition politicians from the Windward Islands have agreed on boycotting next week's meeting of a constituent assembly which will advance plans for a Caribbean political union. "...If we are not careful, we will see this whole initiative being placed in a particular direction for the convenience of the governments in office," Julian Hunte, chairman of the Standing Committee of Opposition Politicians (SCOPE), told CANA on Saturday.

SCOPE held a meeting here on Friday to discuss participation in the assembly, which will hold its first session in St. Vincent and the Grenadines on November 26. Hunte confirmed earlier reports here that the opposition politicans from St. Lucia, Dominica, Grenada, and St. Vincent and the Grenadines would be boycotting the five-day session, due to what they term the lack of respect with which Windward Islands governments treat them in connection with the unity issue.

Hunte said that SCOPE felt the assembly should be a body "completely independent, with its own chairman, regulating its own business and having clear terms of reference".

"If the governments are serious about a regional constituent assembly, then it must be dealt with as a serious issue and in a particular manner that reflects the seriousness of the initiative," Hunte said. "We will take no part in any sham."

Hunte said that his organisation was well aware that the Windward Islands governments would attack them on their stand, but pointed out, "We have to get it right."

"We have to start to do things right, and if it is not being done properly, then we are not going to have anything to do with it," Hunte told CANA. "We are not going to just tag along at the convenience of the (prime ministers of St. Vincent and the Grenadines, St. Lucia and Dominica)." Hunte said that the whole business of Caribbean unity is "a matter that transcends party politics...."

Hunte said that SCOPE members were being left "in the dark" on the unity issue. "They (the governments) have

not really taken note of the opposition views or comments or recommendations or anything," he added. Hunte said SCOPE had written the prime minister of St. Vincent and the Grenadines, outlining reasons for boycotting the assembly, but hinted that there was a possibility of opposition participation if the two parties met before November 26 "to work out their differences."

"Unless the agreed meeting between the government and SCOPE takes place before November 26, and a satisfactory consensus is arrived at between us regarding the way forward, it will be difficult if not impossible for SCOPE to participate in either the formal opening or the working sessions of the assembly," he said.

Antigua and Barbuda

Cabinet Favors Investigation of Melon Farm

FL1611132590 Bridgetown CANA in English 1955 GMT 15 Nov 90

[Report by Rickey Singh]

[Text] Bridgetown, Barbados, Nov 15, CANA—Members of the Antigua and Barbuda Cabinet say they favour a new judicial probe into a melon farm a controversial Israeli businessman had operated in the twin-island state.

The probe of the farm Maurice Sarfati had operated and of the ties between the businessman and the Antigua government topped the list of 24 recommendations made by British jurist Louis Blom-Cooper after investigating a 1989 guns-and-drugs scandal. Cabinet members, who said they did not want to be quoted, told the Caribbean News Agency [CANA] in a telephone interview they wanted quick action on the recommendation. Opposition members in St. John's have also been urging the government to speedily act on the Sarfati recommendation and the others contained in the report.

The government on Wednesday announced it had accepted all the recommendations and had started taking action—which it did not detail—on them. Among the 24 recommendations listed in the Blom-Cooper report and obtained exclusively by CANA, was the barring from holding "any public office again" of the Prime Minister's eldest son, Vere Bird, Jr., and the immediate dismissal of commander of the Antigua and Barbuda Defence Force, Lt. Colonel Clyde Walker.

Specifically, the British jurist who spent the past five months investigating the illegal arms deals involving Antigua and Barbuda, Israeli mercenaries, and Colombian drug barons, feels that this latest judicial probe should cover the period 1985-1987, between Sarfati and the government of Antigua and Barbuda. According to one senior government minister, the prime minister would be well advised "to speedily implement the decisions relating to those recommendations."

Contacted today by CANA for his reaction to the Blom-Cooper report and his father's announced acceptance of recommendations as they affect him, Vere Bird, Jr., the former communications and public utilities minister, said: "I am not saying anything now. I am not commenting." Investigators claimed Bird, Jr, then national security advisor, had sanctioned the purchase of the Israeli rifles and ammunition. The office of the commander of the Antigua and Barbuda Defence Force said that Lt. Colonel Walker "is on leave." But walker could not be reached by phone for his own reaction to the findings and recommendations of Commissioner Blom-Cooper.

Both Bird, Jr. and Walker have said they are innocent. A United States law firm is currently investigating aspects of businessman Sarfati's melon farm, including accumulation of a U.S. 8 million dollar debt and promissory notes, amounting to U.S. 4 million, which appeared under the signature of the country's agriculture minister.

But Commissioner Blom-Cooper, who has identified Sarfati as an "adventurer" and the key figure in the involvement of Commander Walker and Vere Bird, Jr. in the illegal arms shipment from Israel, feels that the judicial probe he has proposed is the more appropriate and less expensive mechanism to get at the bottom of Sarfati's alleged dealings.

Commissioner Blom-Cooper's observations about Sarfati, Bird, Jr., and Commander Walker form part of the chapter of his report on "The Background to Events," leading up to his inquiry. The issues covered in this chapter include Sarfati's relations with the Antigua government; the international supply of arms, and Israel's involvement in "arming the Antigua and Barbuda Defence Force."

The Israeli government itself, Blom-Cooper has recommended, should "take further steps to look at the procedures for issuing licences to export arms and ammunition, and should conduct further enquiries into how the arms shipment to Antigua was effected by Mr. Maurice Sarfati, Brigadier-General (Pinchas) Shachar," and others. These Israelis, Blom-Cooper feels, should be called upon to explain their own involvement with Sarfati in the controversial arms shipment, some of which ended up in the hands of Colombian drug dealers and terrorists.

Within two years of Sarfati's arrival in Antigua and Barbuda, he had become a special envoy, with diplomatic status, of the twin-island state, according to Blom-Cooper, who has described him as "a man of dynamic energy, huge enterprise, and easy winner of confidences, particularly from those at the seat of government in Antigua..."

Sarfati had an "uncanny knack", Blom-Cooper further noted, "of forging links with ministers and public officials without too much scrutiny of his credibility and integrity."

"The story of the melon farm trail, and other incidental events", according to the British jurist, "discloses a tale of insinuation and influence of a man with a remarkable talent of getting from a vulnerable administration in Antigua almost anything he desired..."

Dominica

Civil Servants Accept Government Wage Proposals

FL1711192590 Bridgetown CANA in English 1805 GMT 17 Nov 90

[Text] Roseau, Dominica, Nov 17, CANA—Civil servants in Dominica on Friday night voted to accept a government offer of salary increases and re-instated retirement benefits. The decision to accept the offer came after a stormy debate during which the leadership of the Civil Service Association [CSA] was accused by some CSA members of selling out the worker's cause.

Public workers here had submitted, through the union, proposals for increases of eight percent for 1988/89, twelve percent for 1989/90, and eight percent for 1990/91. But the latest government offer was hikes of 5.5 percent, 7.5 percent and seven percent in addition to the restoration of retirement benefits for those joining the public service after 1976.

The arguments for rejecting the package came mainly from those in the service before that period, who already had their retirement benefits and felt that the CSA should press for the full increase being demanded. However, a spirit of compromise prevailed in the end, with the majority of those at the meeting voting in favour of the package.

CSA General Secretary Alvin Thomas is of the view that the workers took the right decision and that the union is on track in giving proper representation to its workers. "I think it is something that both parties can live with, and what I would suggest to members who feel we have not achieved anything (is that) it gives them an opportunity to lend their support and commitment to this organisation so that the Civil Service Association can grow from strength to strength," Thomas said.

Dominican Republic

Balaguer Addresses Fuel Crisis, Strike Threat

FL1611145090 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 0003 GMT 16 Nov 90

[Speech to the nation by President Joaquin Balaguer at the National Palace in Santo Domingo—live]

[Text] Dominican people, all my fellow countrymen:

I will begin by announcing to the country that on this occasion my appearance will be brief. It will not only be brief, but will also be specific and limited to the problems that most draw and focus the nation's attention at this time. The first of these problems—not because it is the most important, but rather because it exerts the most pressure on all Dominicans who are concerned not only about their own fate but also about the survival of our democracy and our institutions—is the strike that has been called for 19 November and subsequent days by several labor groups and the so-called Collective of Popular Organizations.

This strike movement, which also has the support of two majority democratic parties, the Dominican Liberation Party and the Dominican Revolutionary Party, is inadmissible from any point of view, and because of the reasons that are used to support it and the way it has been announced, it has all the characteristics of an action aimed at promoting the overthrow of the government. I am not going to waste ypur time by arguing about the legitimacy or illegitimacy of the current authorities. The government that directs the destiny of the country was elected in democratic, open elections and has only been exercising its new constitutional mandate for three months.

What is above any argument, however, is the legitimacy of peace, the organic and constructive peace we have now enjoyed for many years. We all need this peace now more than ever. The government needs it to overcome the difficult obstacles we face because of the rise in oil prices and the worsening of the shortage of basic food items this has caused. The country needs it to survive the problems the Latin American economies are struggling with today, especially those of the countries in our region that do not produce oil and have been hit very hard by the winds of catastrophe blowing from the Middle East.

The very instigators of the strike also need it to maintain the democratic climate they use as a screen and that has allowed them as labor leaders to assume the prominence they have today on the Dominican scene. To maintain this peace, in the name of this peace, the government is willing to accede to all the demands of the strikers that are compatible with the public interest and do not contribute to worsening the very problems whose solution we are seeking.

In this regard, the government has already succeeded in supplying the country—not completely but at satisfactory levels—with the fuels without which it would be impossible to live in this age in any society. We do not have enough dollars to cover the oil payments in the same way they were covered prior to the conflict in the Persian Gulf, but we are making and will continue to make all the necessary sacrifices so the country will have enough propane gas for household consumption and enough gasoline for the needs of individuals and public transportation.

We will not spare any sacrifice, however great it may be, so that in the coming days we will also have the diesel oil the industrial and agricultural sectors need, aware as we

are that this item is essential because it plays a large part in the activities on which the entire nation's productive life depends.

Moreover, the government has put at the disposal of the National Institute of Price Stabilization, INESPRE, the dollars needed to import items of highest consumption among low-income sectors, and has given to the Secretariat of Agriculture and the Banco Agricola [Agricultural Bank] the funds these offices need to increase production of early-harvest food products throughout our territory.

Essential food items such as milk, rice, spaghetti and other types of pasta will not be scarce on the market in the coming days, and will be sold at prices below the current ones, thanks to the elimination of the middlemen who were improperly interfering with the marketing of these products.

This has been invoked as a reason for calling the strike and that merits and has merited our preferential attention. This is the continued lack of resolution of the conflict that has arisen between the Dominican Electricity Corporation [CDE] and the union there. This lack of resolution, according to the strike's promoters, compromises labor union freedom in the Dominican Republic. Whether we agree with this opinion or not, the government is willing to make all the necessary concessions to resolve this conflict, but only as long as they are compatible with the public interest and our inflexible intention to reorganize the CDE so that this essential service will again be as efficient as it was when it was in the hands of a private company.

There is a fact that has nothing to do with fuels or the nation's problems with food products, but perhaps has had the most influence on the strike call. I am referring to the importance that political impatience has gained, and the crudeness this impatience has assumed in the parties and groups that have called the strike. There has been an attempt to give an impression, and spread it among our most ignorant and ill-informed masses, that my presence in power is the cause of all the ills the country is suffering from, because my economic policy has impoverished and tends to impoverish the Dominican people even more.

I am not going to argue about whether my economic policy has gone in the right direction or not. I am not going to defend the construction industry as a great generator of jobs and a great dynamizer of the nation's economy. I will not stress my conviction that the worsening of the nation's situation is not a result of the government's construction program but rather of these three major causes: first, the abuse that has occurred for many years, for several years now, of credit; second, the abuse in the past of indebtedness and loans from private banks and international institutions; and third, the terrifying increase in corruption and moral deterioration in both the public and private spheres.

This is a reality that cannot be disregarded. It affects the great majority of Dominican citizens, large and small, magnates and street vendors. Perhaps it also affects the majority of the citizens of all countries in the world. This is not a suitable occasion to speak at length about these subjects or to make lengthy disquisitions on them. Let us look simply at what affects us the most. Let us agree that what affects us the most from this point of view is the presence in the country of excessive politicking, an uncontrolled preoccupation with obtaining public office in order to then enrich oneself rapidly. If we want harmony, if we want our democratic process to be maintained undamaged, we will have to come to a compromise, whether we like it or not, with politics and with politicians.

I therefore formally propose that the next amendment of our constitution include a temporary provision convoking general elections for 16 May 1992, so that the people who are elected in those democratic elections can take their respective offices on 16 August of that same year. In my opinion, this proposal would have the advantage of calming the impatience of the politicians and offering the country the opportunity to elect the new people they wish to guide their destiny within a reasonably short time.

It would also have the advantage of not affecting our democratic process, which has already lasted almost 30 years and has put our country on the same level as the great Latin American democracies. These elections would be prepared for appropriately and preceded by reforms to the electoral law to eliminate from that law all the flaws that became obvious in our most recent experiences.

The new electoral board would be formed with the participation of all the democratic parties, and the entire process would be subject to having the National Assembly, acting as the deciding assembly, abolish the possibility of reelection for two consecutive terms and also proceed to make whatever amendments to our constitution that would respond to the nation's true needs, such as, for example, a provision for the administrative autonomy of the Judicial Branch and the establishment of new rules for the selection of members of that branch.

I am going to conclude, but before doing so I would like to express my hope that my opinions will not be misinterpreted. These opinions I have given respond to general considerations. They do not contain any personal allusions—direct or indirect. As always, I respect all the democratic parties in this country, and each and every one of their leaders. I would like to make special mention on this occasion of Professor Bosch, to apologize for the outrages that certain unscrupulous members of the Social Christian Reformist Party have committed against him in the past few days. I feel the same respect and admiration for Professor Bosch as always. He has a

powerful mind, which has [word indistinct] as the mountains have peaks, and an abrupt but upright character, uncompromising but pure.

I would also like to give public recognition to labor leaders Gabriel del Rio, Mariano Negron, and Juan Pablo Gomez for the position they have taken on the strike, their determined defense of the nation's vital and permanent interests, and their recent declarations firmly opposing the strike because they consider it not to be really about demands but rather almost a subversive conspiracy. These three people have acted not as three unionists, but as three patriots, three great Dominicans. Through their courage, their civic integrity, they have placed themselves on the level of the great union leaders of America.

Finally, I would like to mention and express my appreciation to Virtudes Alvarez, who has always been temperate in her actions and wise in her statements. She is an exceptional woman, fragile as a rose but upright as a Doric column. Her virtues are not only in her name, but in the sincerity of her public vocation and the sincerity with which she has identified with the problems and suffering of our poorest classes.

Finally, I hope that my proposal will be studied, analyzed calmly, and not distorted. I hope that the political parties will receive it as an act of good faith, the country will receive it as a modest contribution on my part to harmony, and the party I lead will receive it as part of the sacrifice demanded of all of us at this time for the health of the Republic. Good night.

Haiti

CEP Updates List of Presidential Candidates

FL1611162090 Port-au-Prince Radio Nationale in Creole 1400 GMT 15 Nov 90

[Excerpts] The number of presidential candidates for the 16 December elections has been reduced from fourteen to eleven. The Provisional Electoral Council [CEP] has rejected three [more] presidential candidates because they failed to pay the guarantee. Marc Antoine Noel, director general and member of the CEP,explained in an interview that they [CEP] have been inundated with letters protesting some of the candidates the CEP did not reject. Emmanuel Ambroise, also a member of the CEP, advises that so far everything is in place regarding the plan for the Haitian Armed Forces [FADH] to ensure security during the elections. The interview with these two CEP officials was conducted 14 November by Louis Seize Frantz.

[Begin Frantz recording] After they disqualified numerous presidential, senatorial, and parliamentary candidates because of failure to comply with the requirements of the law, the CEP reconsidered and accepted the cases of some senatorial and parliamentary candidates, who had a legal basis for reevaluation. Some candidacies were not accepted despite reconsideration, according to Mr. Noel. Of the 14 presidential candidates previously accepted by the CEP, three have now been eliminated because of failure to pay to the General Director of Tax [DGI], of the Haitian Fiscal Office the fee required by the CEP. [passage omitted]

On the matter of security during the elections, Emmanuel Ambroise reported that the Army has taken every measure to ensure that the elections can be held without fear. [passage omitted] [end recording]

As has already been announced, the CEP has reconsidered the dossiers of some candidates it previously rejected. The following candidates are now authorized to run in the forthcoming elections:

Neal F. Calixte, a senator in the Northeast, qualifies to run as senatorial contestant. Candidates for deputies are as follows: Etienne Magloire, Abricots; Chery Georges J. Magloire, Bainet; Reynand Michel, Trou du Nord; Berger Vertulio, Coteaux; Joseph Lamarre Pierre-Louis, Acul du Nord; Moise Joachim F. Stephen, Gonaives; Axmene Antoine, L'Estere; Annuel Moriceau, Anse-a-Veau; Beauvais Jean-Claude, Jacmel; Romana Tranquille, Jacmel; Marcelin Fernand, Cayes-Jacmel/Marigot; Creve-Coeur Marie Lunie Casimir, Belle-Anse; Roger Destin, Acul du Nord; Francois Reynold Louissaint, Saint-Raphael; Athanase Jean-Louis, Arcahaie; Sanon Gabriel, Cornillon; Guiteau Bazile, Lascahobas; Rosier Antoine Claude, Petite-Riviere de l'Artibonite; Descardes Jean-Rosier, Dame-Marie; Joachim Yves Vor [name as heard], Belladere; Pierre Romulus, Terrier-Rouge; Lalanne Marie Ludnie, Bassin-Bleu; Desrameaux Serge, Cerca Carvajal; Nivrose Marius, Anse-a-Veau; Sigue Jean-Musset, Lascahobas.

Of the candidacies previously rejected by the CEP, those whose dossiers have now been accepted include: Exegis Francois, whose parliamentary candidacy for Mole Saint-Nicolas had been rejected in accordance with Article 291 of the Constitution; Joseph Louis Sevigne, parliamentary candidate for Mirebalais, who did not have a title to property or a profession; Francois Louis Jeannot, officer within the Department of the Public Prosecutor in Abricots. All of these candidates had previously been disqualified by the CEP, but were accepted after reconsideration.

The three presidential candidates who have been disqualified for failure to pay the guarantee are: Jean-Arnold Dumas, National Party for the Defense of the Workers [PNDT], number nine; Francois Magloire, Party of Haitian Patriots [PPH], number six; and Francis Jean [name as heard], Militant Revolutionary Forces [FMR], number 15.

With these three presidential candidates disqualified from participating in the upcoming elections, there are 11 presidential candidates left. The CEP announced on 14 November that the final and complete list of accepted candidates will be published soon.

BED President Comments on Election Fees, Dates

FL1611150290 Port-au-Prince Radio Haiti-Inter in French 1200 GMT 14 Nov 90

[Excerpts] Marc-Antoine Noel, president of the West Departmental Electoral Bureau [BED], has said that the second round of elections is scheduled for 20 January, not 13 January as the media has been reporting. The only disqualifications left to be considered will be for technical reasons. Furthermore, the candidates who did not pay their election fees are eliminated at all levels.

[Begin recording] [Noel] I never knew that a date of 13 January had been set. When there is an official communique on this matter, the date will be 20 January, as this has been the probable date for some time. I cannot understand why 13 January has been quoted in the news. [passage omitted]

[Reporter] Regarding the candidates who have not yet paid their fees before yesterday's deadline, Noel explained that only candidates running for the positions of deputy, senator, or president pay a candidate fee. [passage omitted]

[Noel] Those who did not come and pay yesterday must not wish to do so, because we notified all the BED's and some candidates did go and pay their fees.

[Reporter] Therefore, other candidates will be rejected?

[Noel] No. Those who did not pay will not have their names on the list. [passage omitted]

[Reporter] It is rumored that there is some thought being taken to rejecting some deputies and senators?

[Noel] I do not think that there is consideration other than for technical reasons. [end recording]

Tear Gas Grenade Attack Reported in Capital

FL1611162390 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 15 Nov 90

[Text] Sporadic incidents of violence are intensifying after a period of calm as we approach the 16 December elections that will be held within exactly one month. Besides the occasional burning of tires in some areas of Port-au-Prince, last night a taxi cab was torched in the Portail Leogane area. We do not have specific details on that incident.

Also last night, Champ-de-Mars Pharmacy was visited by a group of Zenglendos driving a rental car. These people threw a tear gas grenade inside the pharmacy, which is located in Champ-de-Mars [downtown Port-au-Prince, near the National Palace]. This pharmacy belongs to a person close to Father Aristide, Mrs. Gladys Lauture. The attacker opened the door and threw the grenade. He escaped before the police and the firemen arrived. The attack provoked panic in the pharmacy. This is how the situation stands. So far, we do not have details on whether there was any serious damages to the pharmacy. It seems, however, that everybody reportedly escaped without serious injury.

Father Aristide Presents Social Reform Plan

FL1611200090 Port-au-Prince Radio Nationale in Creole 1400 GMT 16 Nov 90

[Report on a news conference by Jean-Bertrand Aristide, presidential candidate of the National Front for Change and Democracy, at the Christopher Hotel in Port-au-Prince on 15 November]

[Excerpts] Presidential candidate Reverend Father Jean-Bertrand Aristide, of the National Front for Change and Democracy [FNCD] met with the press yesterday afternoon at the Christopher Hotel to present his plan for social reform, "The Avalanche Plan." This plan entails mass participation of all sectors of society to create a new Haiti in which extreme poverty no longer exists. We are going to have you listen now to the report of our colleague Jean-Ronald Lebrun.

[Begin Lebrun recording in French] This plan takes on the challenge of transforming the institutions of the state, using the provisions of the 1987 Constitution as a basis. It advocates openness in governmental management, rehabilitation of public function, and struggle against corruption, favoritism, and Macoute practices and mentalities that pervade Haitian public life.

According to the FNCD, in order for it to become a governmental plan, the avalanche movement must include participation of all Haitians, of all social sectors, in the responsibilities of democracy and national construction. The FNCD explained that inclusion of all Haitians in the plan for transformation of society and national construction implies that this plan is beneficial to all strata of the nation.

This plan also encourages participation of women, young people, and the impoverished people of the country. The government that will result from the "avalanche movement" will secure a new place for the country in international relations through its legitimacy, the popular support it will invoke, its policy of open government, and its struggle against corruption.

This plan allows for reorientation and diversification in international relations as dictated by national development needs. According to the FNCD, only a large popular participation can ensure the execution of a political plan. The "avalanche movement" will in fact provide for this necessary unity among all sectors of the nation so that all may contribute to the defeat of macoutism and the triumph of democracy.

The FNCD believes that the election of Father Jean-Bertrand Aristide as president on 16 December will represent the fulfillment of the democratic movement that has been possessing the country since 1986. A period of change and democracy will begin for all Haitians. Father Aristide's election will help satisfy the

historical aspirations of the Haitian people for national unity, economic progress, and social justice.

Father Jean-Bertrand Aristide was accompanied by well-known personalities at the conference table, notably FNCD spokesman Evans Paul who inaugurated the meeting; Professor Gerard Pierre-Charles; the writer and geographer Georges Anglade; director of the National Caritas [Catholic Church organism]; and sociologue Ernst Verdier, who was entrusted with presenting the "Avalanche Plan." [passage omitted]

Father Jean-Bertrand Aristide himself, speaking in a room packed with partisans, launched a call to Haitians living in the country and those living abroad, and to all political parties that would like to participate in the 16 December "Avalanche operation," which to him is the only alternative. [passage omitted]

The plan was presented in a booklet called "The Chance that Passes By." Present were several civil and political personalities; members of the diplomatic corps, including a representative of the Canadian Embassy, the French Ambassador, Raphael Dufour, and from China, Lee Nan Ching [name as heard]; as well as Jean-Ronald Lebrun for Radio Nationale. [end recording].

Jamaica

Government Receives British Medicine Donation

FL1711170390 Bridgetown CANA in English 1646 GMT 17 Nov 90

[Text] Kingston, Jamaica, Nov 17, CANA—Britain has donated to the Jamaican Government drugs valued at one million pounds sterling. The supply included drugs for diabetes, hypertension, asthma and typhoid, the state news agency Jampress reported. They represent 20 per cent of the nation's annual supplies, Jampress said. The gift was presented by the British high commissioner to Jamaica, Derek Milton, to Jamaica's Minister of Health Easton Douglas. The British Government has promised to donate more drugs next year.

St. Lucia

Compton To Open New Electricity Plant

FL1711192090 Bridgetown CANA in English 1814 GMT 17 Nov 90

[Text] Castries, St. Lucia, Nov 17, CANA—A multi-million dollar power station, capable of providing all of St. Lucia with electricity, will be formally opened here on Sunday by Prime Minister John Compton. The EC90 million dollar (one East Carib Dollar = 37 US cents) plant, is at cul-de-sac, just outside the capital.

Officials at the St. Lucia Electricity Services (Luclec) said the plant will provide the entire island with electricity, and make a saving of more than 750,000 gallons of fuel annually. The plant has been financed by the St. Lucia government, the European Development Bank and Luclec.

St. Vincent and the Grenadines

Mitchell To Head Assembly Planning Team

FL1611183090 Bridgetown CANA in English 1537 GMT 16 Nov 90

[Text] Kingstown, St. Vincent, Nov 16, CANA—Prime Minister James Mitchell will head the St. Vincent and the Grenadines Government's three-member team in a constituent assembly which will advance plans for a Caribbean political union. Attorney general and minister of justice and information, Parnel Campbell, and Education Minister John Horne are the government's other representatives. The assembly, which will also have representatives from Grenada, St. Lucia, and Dominica, will hold its first session here November 26-30.

Campbell said his planning committee has not yet been given the names of the other seven members of the local contingent, but noted that the groups and organisations concerned have up to the weekend before the start of the sitting to indicate who will be their representative. The groups invited to sit on the assembly are the Christian Council, the Joint Workers Council which groups local trade unions, the Chamber of Industry and Commerce, the National Youth Council, and the National Farmers Union, which will each nominate one delegate, and opposition parties which will have two seats.

Campbell said he had reasons to believe that the two opposition seats would be taken by the leaders of the St. Vincent and the Grenadines Labour Party and the Movement for National Unity, Vincent Beache and Dr. Ralph Gonsalves, respectively. But Beache told CANA [CARIBBEAN NEWS AGENCY] that neither Mr. Campbell or the rest of his committee has made any efforts to find out who the opposition representatives would be. He said a decision on whether they would participate would be taken when they meet with other member parties of Scope—the Standing Conference of Popular-Democratic Parties of the Eastern Caribbean—in St. Lucia on Friday.

Salinas, PAN Leaders on Election Irregularities

PA1611221190 Mexico City NOTIMEX in Spanish 2156 GMT 15 Nov 90

[Text] Mexico City, 15 Nov (NOTIMEX)—President Carlos Salinas de Gortari today met at the Los Pinos residence with National Action Party [PAN] leaders, who informed him of "verifiable irregularities" in the elections in the states of Coahuila, Hidalgo, and Mexico.

Interviewed at the end of the meeting, Diego Fernandez de Ceballos, the PAN representative to the Federal Electoral Institute (IFE), said Salinas de Gortari "took note of the information because he obviously receives various reports."

According to the PAN leader, Salinas de Gortari expressed concern over the issue of the electoral list for 1991, adding that he will do everything possible to make it credible in the eyes of the people.

PAN national leader Luis H. Alvarez told the president that the new electoral list "should be drawn up with great responsibility so that it will stop being the cause of discord among Mexicans."

The PAN leadership also told the president that "means of communication between the state secretariats and the political parties must be established so that important national issues can be rapidly and thoroughly discussed."

Fernandez de Ceballos said that President Salinas de Gortari stated that he "is willing to discuss Mexico's basic issues with the PAN leadership." Fernandez de Ceballos stressed that democracy in Mexico does not only depend on the will of the government, but is the responsiblity of everyone. "There must be a general willingness to have democracy."

Nevertheless, he added: "In the electoral processes, the main responsible entity is the government, and then the political parties, which have the obligation to analyze, probe, and ratify."

The PAN, he said, "is not very prone to alliances with the president of the country nor with any other party, but it is willing to hold a dialogue with everyone in a climate of respect so as to find joint paths."

Stability, Economic Growth Pact Extended

PA1511201890 Mexico City XHTV Television in Spanish 0200 GMT 13 Nov 90

[Text] Last night, 11 November, in a meeting headed by President Carlos Salinas de Gortari, a new extension of the Pact for Stability and Economic Growth, which will be in effect until 31 December 1991, was signed. According to explanations, the objective is to achieve a substantial reduction of inflation in 1991, to promote economic growth and the creation of jobs, as well as to consolidate the stabilization of the economy.

The extension of the pact, which was achieved for the fifth consecutive time, was signed by representatives of the labor, peasant, and business sector as well as by the federal government.

The main points included in the communique released last night are the following:

1. The gradual reduction [deslizamiento] of the exchange rate from 80 cents per day to 40 cents per day, beginning 12 November.

2. An 18-percent increase in the minimum wage, beginning 16 November, will be recommended. The increase shall not include contracted salaries, which will continue to be revised by the sides involved.

3. In the income tax initiative, which the president will submit to Congress, a substantial reduction of personal income taxes to a maximum of 40 percent will be proposed. This benefit is particularly aimed at people who earn no more than four times the minimum wage. The goal is to improve their purchasing power.

4. Subsidies will be extended to include milk and tortillas.

5. Subsidies for tortillas will include all states of the nation, beginning 26 November.

6. The number of outlets that distribute milk to low-income families will increase by 20 percent until 2,000 of them are in operation.

7. Subsidies for milk and tortillas will be aimed at families with an income no more than twice the minimum wage. Fair treatment is sought as well as the elimination of all types of violations.

8. The prices of some fuels will be readjusted. Nova gasoline will increase to 710 pesos per liter and (Magnasin) gasoline to 1,000 pesos per liter. Diesel and cooking gas will increase by 10 percent. Fuel oil will increase by 30 percent. The price of natural gas will not be altered.

9. Electricity rates will increase by 10 percent. It was explained that the increase is aimed at achieving a more rational use of resources and the elimination of unjustified subsidies. The business sector agreed to absorb price increases and minumum wages without passing them along to consumers.

10. The organization of producers and the federal government agreed to fix the prices of corn and beans based on the gradual reduction [deslizamiento] of the exchange rate and the inflation rate of Mexico's leading trading partners. The same rule will apply to wheat, the purpose of which is to promote its production for the fall-winter cycle. The federal government will implement a program to promote exports that will include administrative and deregulation measures. Actions to defend the country's production centers from unfair trading practices will be strengthened. In view of the need to keep public finances sound, the government reiterates its commitment to maintain strict public spending discipline.

PRI Leadership, Organizational Changes Reported

PA1511173390 Mexico City XHTV Television in Spanish 0200 GMT 15 Nov 90

[Text] The Institutional Revolutionary Party [PRI] has announced far-reaching changes in its structure. The number of secretary offices in the National Executive Committee [CEN] of the PRI was reduced to 11, leaving only seven secretaries, who took the oath of office today.

The following officials have assumed their functions: Jesus Salazar Toledano, organization secretary; Manuel Gurria Ordonez, deputy secretary of regional coordination; Cesar Augusto Santiago Ramirez, secretary for electoral action; Rafael Resendiz Contreras, secretary for information and propaganda; Romeo Flores Caballero, secretary for international affairs; Ignacio Ovalle Fernandez, secretary for promotion and development; and Finance Secretary Alfredo Baranda, who will take over his duties when he finishes working in the public administration.

Mariano Palacios Alcocer, governor of the State of Queretaro, was appointed as director of the PRI Foundation. He will not give up his post as governor of that state.

Pemex Director Reports on Oil Revenues

PA1811010890 Mexico City XHTV Television in Spanish 0200 GMT 16 Nov 90

[Text] The conflict in the Persian Gulf continues to benefit Mexico. PEMEX [Mexican Petroleum] director Francisco Rojas has reported that additional oil revenues will ammount to $2 billion this year.

In a speech before the Association of Public Accountants, Francisco Rojas said that the crisis in the Persian Gulf continues to benefit Mexico.

[Begin Rojas recording] The Persian Gulf crisis, with all its negative effects on many countries, has resulted in additional foreign revenues that will streghten the finances of both Pemex and the country. [end recording]

Rojas said that the U.S. economy is showing signs of a recession. he added, however, that the primary causes of this recession have nothing to do with the conflict in the Middle East.

[Begin Rojas recording] In any event, it seems that nobody is anticipating a severe recession in the United States that may offset the positive effects of the increase in oil revenues. [end recording]

The Pemex director reported that the additional oil revenues for this year will amount to $2 billion, with a net profit of over $1 billion. Rojas said that Pemex continues to be the enterprise that pays, in taxes, the largest amount of money to the government. Pemex, he added, pays 37 percent of the total taxes paid to the government. This is more than the combined amount paid by all Mexican enterprises to the government, he concluded.

Industrialist Cautions on Free Trade Agreement

PA1711035090 Mexico City NOTIMEX in Spanish 1840 GMT 16 Nov 90

[Text] Hermosillo, Sonora, 16 Nov (NOTIMEX)—Mexico is still not ready to sign a free trade agreement with the United States because it needs more modern and skillful industry, Roberto Sanchez de la Vara, president of the National Association of the Processing Industry (Canacintra), said here today.

Sanchez de la Vara warned that Mexican industries that do not prepare themselves and improve their productivity are doomed to disappear.

After meeting with industrialists from Sonora State, Sanchez de la Vara said that this year Mexico has exported products worth $26 billion, of which $9 billion were oil by-products.

He added that exports increased 19 percent over the same period last year.

According to Sanchez de la Vara, Mexico is still attractive to foreign investors. He reported that in 1990 $4 billion were channeled from abroad either directly or through the Mexican Stock Exchange.

He also noted that the inflation rate is expected to reach 17 percent in 1991.

Sanchez de la Vara stressed that Canacintra gave its full support and agreed with the measures adopted with the signing of the fifth phase of the Pact for Economic Stability and Growth.

Costa Rica

Cuban Dissidents Call for Popular Consultation

PA1611015390 San Jose LA REPUBLICA in Spanish 6 Nov 90 p 12A

[Report by Dino Starcevic]

[Text] In Costa Rica Cuban opponents of the Fidel Castro regime have proposed a plan for a peaceful solution to the crisis in Cuba through a consultation with the Cuban people, in other words, a plebiscite.

Ricardo Bofill and Rene Diaz, members of the Cuban Human Rights Committee, held a news conference at the Ambassador Hotel and afteward they met with Costa Rican political leaders to explain their plan.

Bofill explained the plan, which calls for the Cuban people to be democratically consulted to attain "a consensus within the Cuban political spectrum." This would be done through referendums, plebiscites, or general elections in Cuba. "The expression of the sovereign will must include the participation of Cubans inside and outside the country, and the voting must be free, direct, secret, and under the supervision of national and international observers," Boffil said.

Bofill and Diaz demanded that the current Cuban Government, "and any successor who has not been democratically elected," confirm its legitimately claim to power through a popular vote. As minimum conditions for holding elections in Cuba, the opposition members said there must be general amnesty for all those accused of political crimes, and the Cuban Constitution must be amended by the national assembly to eliminate the articles that prevent the development of a "free and democratic" society. They also said the Cuban Government must comply with the universal declaration of human rights and immediately stop harassing human rights groups on the island.

El Salvador

Ponce: Army To Be Revamped Regardless of Demands

PA1711195890 Panama City ACAN in Spanish 2256 GMT 16 Nov 90

[Text] San Salvador, 16 Nov (ACAN-EFE)—Colonel Rene Emilio Ponce, Salvadoran Defense Minister, said today that the Armed Forces will be reorganized "regardless" of the rebels' demands to disband the Army.

Ponce pointed out that the Armed Forces will undergo "all kinds of changes and restructuring" to help attain peace in this country, whose internal war has resulted in the deaths of more than 70,000 people in the past decade.

In the peace negotiations, the Farabundo Marti National Liberation Front [FMLN] has demanded that the Army be disbanded in exchange for the FMLN's demobilization. Instead, the FMLN has suggested the creation of a "civilian police" to supervise the exercise of democracy in the country, a request that the government delegation rejected.

The rightist government of El Salvador and the leftist guerrillas expect to meet in Mexico and under the sponsorship of the United Nations late this month to debate the controversial issue of the Armed Forces, a subject that is bogging the talks down.

Ponce told the press, however, that the Army's restructuring must meet "the demands of future societies," and that the Armed Forces "will make every effort" to guarantee peace for Salvadorans.

The Salvadoran Army, with more than 50,000 men, has made eight internal "routine" changes, even in the top command, since the rebels launched their bloodiest offensive in November 1989.

FMLN Infiltrator on Plans To Attack Barracks

PA1711190690 San Salvador EL DIARIO DE HOY in Spanish 15 Nov 90 p 2

[Text] A guerrilla, who had managed to infiltrate the troops of an Army battalion, has revealed that the FMLN-FDR [Farabundo Marti National Liberation Front-Revolutionary Democratic Front] plan to attack several Army barracks in the capital and in the interior of the country, a military spokesman has reported.

The military source said that Jose Antonio Molina Cortes had been watching the movements of Belloso Battalion, whose headquarters are in San Bartolo, Ilopango, where he managed to infiltrate the troops.

The individual, known among the terrorist ranks as "Yanei," was recruited in early May and underwent all the training and tests given to the recruits, the report added.

Later on he was sworn in and became a member of the military unit, but his suspicious behavior led to investigations. Days later, he deserted the unit when he discovered that he was being watched. He took two rifles and ammunition with him. The investigators followed him until last week, when he was captured and turned over to the commission in charge of such matters.

When questioned, Molina Cortez revealed that the FMLN unit, of which he is a member, is led by an individual known as "Paco Cuto," who receives orders from other "commanders" as well as money to pay "the salaries" and all activities.

He added that the FMLN's immediate plans include attacks on the military barracks of Zacatecoluca, El Zapote, and the 1st Infantry Brigade, for wh[illegible] he was supposed to make maps of the installations, locate security posts, and su[illegible] most appropriate time for an attack.

In addition, Molina said there are plans to attack businesses, homes of military officers, industrial installations, utility poles, and other sectors of the national economy.

Groups of people, Molina said, are planning to stage public demonstrations and disorders in the streets to provoke security bodies.

Molina showed documents confirming his statements.

Charged with terrorism, desertion, possession of military weapons, and infiltration, he was turned over to the courts.

FMLN Claims Killing 14 Troops, Wounding 34

PA1611153390 Paris AFP in Spanish 0811 GMT 16 Nov 90

[Text] San Salvador, 15 Nov [date as received] (AFP)—The Salvadoran leftist guerrillas have claimed credit for 48 casualties inflicted on the Army by the Farabundo Marti National Liberation Front [FMLN] between 14 and 15 November in the township of San Agustin, a traditional guerrilla stronghold.

According to the FMLN, 14 soldiers of the "Jucuaran" Battalion were killed and 34 were wounded.

Radio correspondents for the region reported that the bodies of four soldiers were lying in wake in a funeral home in Usulutan.

The Armed Forces Press Committee (Coprefa) neither confirmed nor denied the reports, which have come in the wake of the first anniversary of the assassination of six Jesuit priests and two domestic maids staged by Salvadoran military men.

The rebel station [unidentified] deplored the death of a fellow militant identified as "Elizabeth," and said that the rebels seized 15 M-16 rifles, [number indistinct] M-60 machine guns, three M-79 grenade launchers, a LOW rocket launcher, and other military equipment.

Clashes Between FMLN Guerillas, Army Reported

PA1911015790

[Editorial Report] Panama City ACAN in Spanish on 12 November, citing (Clandestine) Radio Venceremos, the mouthpiece of the Farabundo Marti National Liberation Front (FMLN), reports that the FMLN "inflicted 81 casualties on the Salvadoran Army, including two officers, one copilot, and one gunner, in the first 10 days of November. It did not report any casualties of its own." Still quoting Radio Venceremos, ACAN reports that the guerrillas "damaged two U.S.-made helicopters and two armored personnel carriers, destroyed an Army truck in an ambush, and blew up 15 structures supporting high-tension cables in the same time period."

According to the same ACAN dispatch, the Armed Forces report that "six rebels were killed and one soldier and one civilian woman were wounded over the past weekend during clashes with the FMLN in San Jose Guayabal, La Laguna, and El Triunfo in the departments of Cuscatlan, Chalatenango, and Usulutan, respectively. The guerrillas "dynamited two posts, damaged one UH-1H helicopter, and set one bus on fire in San Salvador and other areas of the country."

(Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 14 November reports that the FMLN "attacked 3rd Infantry Brigade soldiers protecting the Monte Alegre coffee-processing plant in Chinameca in San Miguel with home-made weapons and RPG-7 rocket launchers." A similar plant reportedly was attacked in Jucuapa, Usulutan department. "FMLN militias damaged four posts on the street leading from Chinameca to Jucuapa. On 13 November, an Army unit stumbled in a minefield in Ramirez in San Jose Guayabal and six of its men were seriously wounded. On 14 November, FMLN guerrillas damaged five pylons supporting 115,000-volt cables on the line between the Guajoyo CEL (Lempa River Hydroelectric Executive Commission) plant and Santa Ana near Las Cruces and San Antonio, Masahuat, Santa Ana department." The rebel station also reported that "on 12 November, Atlacatl Battalion elite troops stepped on mines on the northern slope of the San Salvador volcano. Four soldiers lost their legs and one was seriously wounded."

San Salvador Canal Doce Television in Spanish at 0300 GMT on 14 November quotes military sources "who said that one policeman was killed and five others were wounded during an FMLN attack on a convoy near El Congo."

San Salvador Radio Cadena Sonora in Spanish at 1345 GMT on 14 November reports that "FMLN rebels harassed 5th Infantry Brigade positions near Hacienda El Pencal, Tecoluca, in San Vicente department. One guerrilla was killed, two were wounded, and three civilians were injured. The rebels fired on a UH-1H helicopter of the Salvadoran Air Force near Ramirez, Guazapa. The aircraft was damaged while trying to evacuate counterinsurgency troops. No casualties were reported."

Government on FMLN's Human Rights Violations

PA1811222990 San Salvador EL DIARIO DE HOY in Spanish 17 Nov 90 p 5

[Text] According to an official communique, even though the FMLN [Farabundo Marti National Liberation Front] has pledged to "avoid all kinds of actions or measures that threaten the people's lives, integrity, security, and freedom" by signing the San Jose Agreement, the organization continues to kill defenseless civilians who become the victims of terrorist attacks.

The communique says that on 18 October a terrorist mine injured 11-year-old Wilfrido Flores in Canton Malacatepeque, Morazan jurisdiction, Santa Ana Department.

"The FMLN has continued its terrorist actions against the civilian population with a clear disregard for the people's lives and the pledge it made when it signed the San Jose Agreement. This is proved by the massacre of two children, nine-year-old Natalie Salazar and her brother, 17-year-old Gerardo. They were killed in the explosion of a 'tepezcuintle' bomb [tanks used for liquefied gas but filled with explosives] thrown by FMLN terrorists," the government communique stated.

The communique added that on 17 October Juan Antonio Leon, a 38-year-old peasant who lived in Chalchuapa, Santa Ana Department, died from wounds inflicted by shrapnel from a grenade thrown by the terrorists.

The communique said that on Thursday, 25 October, a district commander and a soldier on leave were assassinated by the FMLN terrorists in Canton San Francisco del Monte, Ilobasco jurisdiction, Cabanas Department.

The communique added that another FMLN human rights violation was perpetrated on 7 November, when a person died and three others were critically wounded after accidentally activating a mine that the terrorists left behind at a gymnasium in Concepcion Quezaltepeque, Chalatenando Department.

On Saturday, 29 September, two civilians were wounded in a dynamite attack carried out in Santa Ana by FMLN groups. Several electric poles were blown up.

The communique concluded by stating that, despite the FMLN's continuous violations of the San Jose Agreement, the Salvadoran Government reasserts its willingness to continue the search for peace through the dialogue process, which is being carried out with UN Secretary General Javier Perez de Cuellar's mediation.

First Anniversary of Jesuits' Murder Marked

Spanish Delegation Wants Case Solved

PA1711004190 San Salvador Canal Doce Television in Spanish 0321 GMT 16 Nov 90

[Text] Inocencio Arias, under secretary at the Spanish Foreign Ministry, has arrived in El Salvador to attend the commemoration of the first anniversary of the assassination of the Jesuits. Arias said he came in solidarity with the Jesuits' relatives and the society's leaders. Arias said upon arrival that he will reiterate to the government of President Alfredo Cristiani the Spanish Government's interest in seeing this case clarified soon. He will also report on the concern of his country's authorities over the possibility that not all of the guilty persons can be identified. Arias said the Jesuits' case is a test of the local government's credibility in the eyes of the public opinion. He added that, although a serious judge is handling the case, there are some confusing signs. He pointed out that the masterminds of the crime must be identified, and asked that the trial not be delayed indefinitely.

In addition, the Spanish deputies agreed on the need to demand that the Salvadoran Government clarify this case fully. They added that they have already met with the fourth criminal judge and the defense minister, with whom the deputies discussed the investigations.

[Begin unidentified speaker recording] We wish to express our refusal to accept partial explanations of the case. We are demanding that every one responsible, be they gunmen or masterminds, be tried, sentenced, and condemned so they pay for this. [end recording]

The parliamentarians said that any information they gather after meeting with various authorities will be incorporated into the Spanish Cortes' political files, which will allow them to give a fuller report. According to Luis Fajardo, president of the Cortes Foreign Relations Commission, the commission he chairs had met, until 15 November, with MPSC [Social Christian People's Movement] and UDN [Nationalit Democratic Union] leaders, Judge Ricardo Zamora, and Defense Minister Colonel Rene Emilio Ponce. Although some topics will have to be discussed when the group completes its investigations, Fajardo said he feels optimistic on the outcome.

FMLN Communique on Anniversary

PA1811003390 San Salvador Radio Cadena Horizonte in Spanish 1800 GMT 17 Nov 90

[Text] The Farabundo Marti National Liberation Front, FMLN, has issued a communique on the occasion of the anniversary of the murder of six Jesuit priests. In its communique, the FMLN states four demands. It asks the United States not to obstruct the course of the investigations by hiding evidence gathered by professional intelligence services.

The guerrillas also urge the international community and the Salvadoran people to increase pressure in identifying, judging, and punishing the authors of the crime. The rebels demand an end to the impunity enjoyed by military commanders in El Salvador. They also demand a discontinuation of the militarization of society, which is a shield used by the Army to hide behind in committing many crimes.

The FMLN will exert pressure to end the treacherous way in which the Armed Forces can kill Jesuit priests and anybody else. The United States should take the first step by totally suspending its military aid to the Army. If this aid continues, there will always be an obstacle preventing the advancement toward total democracy, the document stresses.

Cristiani Discusses Case

LD1711231990 Madrid Domestic Service in Spanish 2200 GMT 17 Nov 90

[Text] At the end of the Spanish mission's visit to El Salvador, Inocencio Arias, under secretary at the Spanish Foreign Ministry, is not optimistic about a

quick and complete solution of the murder of the Jesuits in that Central American country, in spite of the fact that President Alfredo Cristiani does not believe that there are any institutional obstacles to the clarification of the murder. Our special correspondent Martin Medem reports from San Salvador:

[Medem] Inocencio Arias, who has had talks here with President Alfredo Cristiani before returning to Madrid, said after this conversation that he cannot be totally optimistic about the course of the investigations concerning the murder of the Jesuits because, in spite of the good intentions of President Cristiani—as Arias said—other sectors of both the government and the Army of El Salvador are not collaborating in the same way in order that the responsibility of everyone concerned might be clarified fully.

[Begin Arias recording] If it depended only on the president of the Republic, this matter would be clarified and those responsible, all of those responsible in my opinion, would be punished and punished in an exemplary manner. I also still think that not everything will depend on the president of the Republic, regrettably. [end recording]

[Medem] After this statement by Inocencio Arias, we were able to talk wtih President Cristiani himself. We asked him whether the Salvadoran Army is obstructing the investigations concerning the murder of the Jesuits from the University of Central America.

[Begin Cristiani recording] In my opinion there is no obstruction of an institutional kind. But anyone who may be involved is logically not going to cooperate so that they can apprehend him. That is to say, there will always be someone who is maybe not telling the whole truth. [end recording]

Rosa Chavez Views Anniversary

PA1911011290 San Salvador La Voz Panamaricana in Spanish 1400 GMT 18 Nov 90

[Homily by Monsignor Gregorio Rosa Chavez commemorating the first anniversary of the murders of six Jesuit priests on 16 November 1989; place not given—live]

[Excerpt] [passage omitted] Let us review some of the developments of the past week. The murder of the Jesuit priests is one of those issues that forces us to take sides. Not speaking out also amounts to taking a stance, as was stated by some of the visitors that came to our country to share the unforgettable Eucharist on the afternoon of 16 November at the Central American University [UCA]. They were referring to what the Salvadoran news media say or do not say. But siding with justice and peace does not necessarily mean one agrees with everything the UCA martyrs, as they are called, said or did. It also does not mean that one agrees with comments regarding the identity of the perpetrators or how far justice should go. The same freedom that was advocated by the Jesuits who were slaughtered on their campus must guide us in analyzing the essential points for us. What is the essential point that we must maintain, as we mark the first anniversary of this ghastly crime? What is the best way to pay tribute to the memory of the six priests who were massacred on 16 November 1989, along with two humble Salvadoran women? The Christian answer does not lie in human wisdom or in the wise analysis of experts. The answer we are interested in looks toward the future. In other words, this anniversary must mean the dramatic end of a long nightmare and the solemn start of the future we dream of when we clamor for peace and reconciliation.

The future must certainly bring an end to the war and the commitment to do away with the causes that gave rise to it. It is rightly said that the UCA crimes sparked the awareness of the people regarding El Salvador's tragedy. It gave a face to that unending list of anonymous men and women whose lives were devoured by Moloch, the god of war, in a long war that has been going on for more than 10 years. Many of them are called martyrs. On this point, we are entitled to demand prudence and caution, because that word is too strong and sacred in the lexicon of Christian love. We must also be fair when pinpointing blame, because it is not true that the murderers belong to only one side.

Furthermore, we must recognize that we are all guilty in one way or another for the tragedy in our fatherland. But more important than the discussion of the past is the drive toward the future we want to build. [passage omitted]

Half of Country Without Power After Rebel Attack

PA1611160490 San Salvador Canal Doce Television in Spanish 0340 GMT 15 Nov 90

[Text] More than half the national territory was left without power this morning as the result of attacks by rebels in various parts of the country. CEL [Lempa River Hydroelectric Executive Commission] sources reported today that at least seven primary lines were rendered useless after the insurgents dynamited several pylons.

According to the report, the FMLN attacks left the country's eastern and western parts and the metropolitan section of San Salvador without power. In addition, the CAESS [Electric Light Company of El Salvador] reported that the electricity was rationed in the capital's northwest for five hours this morning. Rationing was extended to the south of the capital in the afternoon.

MNR's Ungo: U.S. Policy To Determine Peace

PA1911002290 Mexico City NOTIMEX in Spanish 2321 GMT 17 Nov 90

[Text] San Salvador, 17 Nov (NOTIMEX)—The U.S. policy toward El Salvador will determine the outcome of the peace process in this country, which has experienced a war for over a decade, political opposition leader Guillermo Ungo stated today.

In an interview with NOTIMEX, the secretary general of the National Revolutionary Movement (MNR) predicted a possible "impasse" in the peace talks being held between the government and the guerrillas, although he did maintain certain reservations about this.

"Several weeks ago, the negotiations were at a standstill. This month with the meetings and new proceedings, however, the impasse in the peace process may come to an end," he said, shortly before leaving for Mexico where he will meet with representatives of the Farabundo Marti National Liberation Front (FMLN).

Ungo said that the fact that UN mediator Alvaro de Soto has been given a more active role "has made the vehicle go forward," but he added that "we still do not know how much gas it has."

The "big question" by Ungo, who is also vice president of the Socialist International (IS) for Latin America, is what the attitude of U.S. President Bush's administration will be in the coming months.

He praised the recent retention of half of the U.S. military aid to this country approved by the Senate. He warned, however, that that "is not enough" and added that "now we will have to see what Bush's policy will be toward El Salvador."

According to Ungo, Washington has sent "contradictory signals." "At one moment, it makes one think that it supports a negotiated solution, yet at another moment, it appears to want peace, but without paying the costs," he stated.

"The United States gives the impression that after 10 years of training and maintaining an army, it realizes it no longer wants to finance an army of corrupt assassins," he stated.

He added that "the FMLN is asked to surrender and in exchange—and only after it surrenders—the Army and then (President) Cristiani will surrender."

Regarding the scheduled municipal and legislative elections in March, he conditioned the participation of his party on whether or not "the minimum democratic conditions" are given.

Recently, the FMLN warned that if agreements are not reached at the negotiating table on the topic of the Armed Forces, the elections will not be valid. Ungo said that "he completely agrees with this position."

"We agree with the FMLN on some things, but we disagree with their tactical maneuvers," he said, after announcing that "we will wait and see" what happens in the coming months.

He said that "we believe that one must get wet to see whether one can swim or not, but the FMLN only wants to see and not get wet."

Ungo left this morning for the Mexican capital where he will hold a two-day meeting with FMLN representatives and other political leaders to discuss aspects related to the dialogue process, which will continue in the next few days in Mexico or Venezuela.

Delegation Meets With FMLN in Mexico 12 Nov

PA1711191090 San Salvador EL MUNDO in Spanish 14 Nov 90 p 26

[Report by Rolando Ramirez]

[Text] The Permanent Committee for National Debate (CPDN), which met with Farabundo Marti National Liberation Front (FMLN) members in Mexico on 12 November, reported that the FMLN will not cease their attacks unless the Armed Forces issue is resolved. The CPDN, on behalf of the government, therefore, demands resolution and willingness at the negotiating table in finding a solution to the armed conflict.

The CPDN delegation comprised of Reverend Edgar Palacios, Felix Blanco of UNOC [National Peasant-Worker Unity]; Rene Garcia of AGEPYM [General Association of Public and Municipal Employees]; and Ramon Diaz Bach. The FMLN delegation consisted of Salvador Samayoa, Nidia Diaz, Carmen Letona and Captain Francisco Mena Sandoval.

The CPDN members said that the FMLN had been requested, among other things, to cease their attacks on the power system and also to stop carrying out attacks which endangered the civilian population.

According to Diaz Bach, the rebels claimed that their attacks on the national power system was part of their war strategy, and said they regretted the tragedy which occurred in the San Francisco neighborhood, in which two minors were killed. This incident occurred when the urban commandos misfired a rocket intended for the general staff.

The CPDN spokesman added that the FMLN said they are willing to continue negotiating with the government and, once a peace agreement is reached, they will register as a political party and participate in the elections. That is, "as long as the judicial and electoral systems are reformed. The Armed Forces issue, however, must be resolved before this," the rebels said.

It was also reported that the CPDN had met with Colonel Mauricio Ernesto Vargas at the Armed Forces General Staff to speak with him as a member of the Government Dialogue Commission two days before meeting with the FMLN. At that time Col. Vargas expressed the Armed Forces' wish for a prompt, peaceful solution.

Diaz Bach said Col. Vargas believes that once the FMLN is demilitarized and no longer represents a threat to national sovereignty and public security, the size of the Armed Forces' will be reduced.

The aforementioned businessman said that Col. Vargas had been advised that the CPDN would meet with FMLN representatives in Mexico on 12 November.

According to Diaz Bach, Col. Vargas told them that the military sector was concerned with the current situation in the Persian Gulf due to the negative consequences on El Salvador and the entire world. Moreover, he said that the reduction of U.S. military aid should be interpreted as U.S. pressure on the government and on the FMLN to reach an agreement and put an end to the war, in light of the fact that the United States is also going through a period of economic crisis.

Guatemala

U.S. Said 'Exerting Pressure' on Human Rights

PA1611014490 Guatemala City SIGLO VEINTIUNO in Spanish 13 Nov 90 p 3

[Text] The U.S. Administration of President George Bush is exerting pressure on countries such as Guatemala over the charges of human rights violations, said Guatemalan Ambassador John Schwank Duran yesterday.

The ambassador was at the Dorado Hotel where the Supreme Electoral Tribunal has been working on the election results for president and vice president of the Republic, deputies, city mayors, and municipal officials.

Initially, SIGLO VEINTIUNO wanted to talk about improving bilateral relations between the states once the Guatemalan Christian Democratic government is replaced by an opposition group.

"Basically, I believe that the U.S. Government is seeking that in the case of democratic administration, there be substantial changes in those countries, and therefore any likings do not derive from the government," he said. [sentence as published]

He added that "the United States wants a clear respect for human rights and they want violators to be punished. The State Department insists on this and it has even reduced military aid to Guatemala."

To this effect, he emphasized that some time ago, the U.S. Congress and Senate reduced the military assistance to Guatemala from $5 million to $2.87 million. The assistance is conditioned on it not being used to purchase deadly equipment, and that the U.S. legislature must approve the budget before granting the assistance. "Another type of economic aid is also provided under the condition that there be effective results in the investigations into human rights violations, as well as better legislation for the fiscal deficit, because, as U.S. legislators says...how is it possible that we provide economic assistance from our taxpayers' money...to countries where the tax rates are extremely low."

Human Rights Group on Disappearances, Excecutions

PA1811031990 Panama City ACAN in Spanish 0019 GMT 17 Nov 90

[Text] San Jose, 16 Nov, (ACAN-EFE)—In Costa Rica today, the Guatemalan Human Rights Commission (CDHG) condemned the continuing "disappearances and extrajudicial executions" of people in Guatemala.

The CDHG uses the term extrajudicial executions to identify crimes and human rights violations by persons who do not have any kind of authority in the country.

The nongovernmental humanitarian organization asserted that Orlando Alvarado was arrested by unidentified individuals on 20 October. He was "executed by his abductors" and his bullet-ridden and tortured body was found on an Amatitlan beach. His brother had also been killed several years ago.

The commission noted that between 16 October and 6 November, there were reports that 28 extrajudicial executions had taken place and that 14 bodies "with horrible signs of torture" had been found.

It also reported that seven relatives—including a 10-month-old baby— of Sebastian Velasquez, a people's leader that has disappeared, are being protected by the Mutual Support Group (GAM). The relatives have received threats in the rural community where they have been living since the Indian leader was arrested.

The GAM takes care of the relatives of political leaders who have disappeared in the past two decades of military regimes in that Central American country.

The CDHG added that Jorge de Leon, a medical student, "disappeared" on 31 October; it is feared that he has been executed.

Bolanos on Protecting Citizens in Runoff Elections

PA1611043290 Guatemala City DIARIO DE CENTRO AMERICA in Spanish 14 Nov 90 p 3

[Text] Defense Minister General Juan Leonel Bolanos Chavez has said that the Guatemalan Army kept its patriotic commitment to safegurd the will of the people during the first phase of the electoral process: the 11 November elections.

Currently, preparations for the 6 January 1991 runoff elections are underway and the Armed Forces are guaranteeing that citizens will be protected.

The defense minister said that the Guatemalan Army is the organization most interested in strengthening the democratic process because the people's supreme will is expressed at the ballot box.

He noted that "it is a well-known fact that the military institution is essentially apolitical and nondeliberating and, therefore, is the organization that will preserve the democratic process." The military officer emphasized

this position when he said: "We are the guarantors of our democratic system in accordance with our constitution's stipulations." "The Army as part of the government is interested in having a clear, clean, and pure process, which responds to the people's desires and is satisfactory to them."

The defense minister reiterated that the Army is most interested in strengthening the democratic process because it represents the supreme will of the people.

Furthermore, he said that the Armed Forces developed special activities to protect the people in the recent elections. During the past few weeks, a wide-scale surveillance operation was held. The operation included patrolling the country and providing special assistance in operations under way.

It is fair to say that the Guatemalan Army's efforts and resolute determination to maintain peace and security were reciprocated with the people's valuable cooperation. The people behaved in an exemplary manner during the past elections.

TSE Explains Configuration of Next Legislature

PA1811161890 Guatemala City EL GRAFICO in Spanish 16 Nov 90 p 5

[Report by Arnoldo Cruz]

[Text] Guatemala City, 16 November—Based on information from the final vote count [of the presidential elections], the Supreme Electoral Tribunal, TSE, has explained the configuration of the next legislature. The UCN [Union of National Center] will have 41 deputies, eight of which are from the nationwide list, and 33 from 23 electoral districts.

In a statement to the press, TSE Alternate Magistrate Hugo Leonel Maul Figueroa said it is possible that some changes might be made. He said, however, that the TSE's latest count can be considered final.

He said that the 29 seats obtained by the various political parties from the nationwide lists will be distributed as follows: UCN [Union of National Center]—8; MAS [Solidarity Action Movement]—8; DCG [Guatemalan Christian Democracy]—6; PAN [Popular Vanguard Party]—5; MLN-FAN [National Liberation Movement-National Advancement Front]—1; and PSD-AP5 [Democratic Socialist Party-Social Christian Party People's Alliance 5]—1.

The 87 seats for the 23 electoral districts will be distributed as follows: UCN—33; DCG—22; PID-FUN-FRG [Democratic Institutional Party-National Unity Front-Guatemalan Republican Front]—11; MAS—10; PAN—7; MLN-FAN—3; and PR [Revolutionary Party]—1.

If we add the number of seats from the nationwide list and those from the electoral districts, it is obvious that the UCN will have the majority of seats with 41, followed by the DCG with 28, MAS with 18, and PAN with 12.

Meanwhile, the PID-FUN-FRG coalition won 11 seats (electoral districts only), the MLN-FAN, 4, the PSD-AP5, 1, and the PR, 1.

Maul Figueroa said that regarding the 20 deputies who will represent our country at the Central American Parliament—Parlacen—in accordance with the constitutive agreement, the number of seats will be distributed as follows: UCN—6; MAS—5; DCG—4; PAN—4; and MLN-FAN—1.

It is significant that the UCN obtained the majority of seats for the Legislative Chamber and for the Parlacen.

TSE President Arturo Herbruger Asturias said that the credentials will be delivered once the final documents are received and the agreements issued.

"The last credentials to be delivered will be for the president and vice president, which in this case will be based on the results of the second round of elections. Hopefully, this will be during the week of 6-14 January (when the transfer of government is scheduled), because that is how it should be," he said.

Presidential Candidates Said To Meet URNG

PA1811010990 Guatemala City SIGLO VEINTIUNO in Spanish 16 Nov 90 p 3

[Text] Jorge Carpio Nicolle (UCN) [Union of National Center] and Jorge Serano Elias (MAS) [Solidarity Action Movement]—the two presidential candidates who will take part in a runoff election to decide the winner—will hold a round of talks with the Guatemalan National Revolutionary Unity, URNG, General Command in mid-December. It has not yet been decided where they will meet.

This was reported by Ana Catalina Soberanis, secretary general for the Guatemalan Christian Democracy party, who said that contacts with the guerrilla commanders had already been made to arrange a round of talks.

International wire services report that the Guatemalan guerrillas are interested in meeting with both candidates because one will become the country's president and the other will become the main opposition leader. These talks will lay down some basic agreements so that by the early 1991, the bases can be set on how to negotiate a firm and lasting peace in Guatemala. It will also enable the guerrillas to become part of the country's legal process.

National Reconciliation Commission [CRN] Secretary Julio Mendizabal said that the CRN has not officially decided on this possible meeting between the two presidential candidates and the URNG leaders. Also a date and a place has yet to be set. Mendizabal added that the possibility of holding this dialogue was mentioned, but there is nothing firm yet.

Honduras

Group Urges U.S. To Stop 'Interfering'

PA1511224990 Panama City ACAN in Spanish 0102 GMT 8 Nov 90

[Text] Tegucigalpa, 7 Nov (ACAN-EFE)—The "Struggle for Honduras' Democratization," made up of various groups, demanded today that the U.S. stop interfering in the economic and political decisions of this nation.

During one of the demonstrations in which approximately 8,000 people participated, the people's organization also protested against the economic measures imposed by Rafael Leonardo Callejas' government.

The demonstrators marched through several capital streets with posters and banners bearing slogans against the government.

In a document that was also signed by the "Platform for Struggle" (Plataforma de Lucha), several demands were made. They include: the withdrawl of U.S. troops, the release of political prisoners, the creation of jobs, agrarian reform, bolstering the social sector, ending persecution of peasants, respect for job stability, an increase in salaries across the board, and a reduction in fuel prices.

"We demand that U.S. agencies stop interfering in the economic and political decisions of the nation;" the document adds that a program of "true structural changes that will lead to Honduras' total modernization." It was read by the two leaders of the "Platform for Struggle."

The document says that 169 years after its independence, the process initiated by the Honduran founding fathers for a "free, sovereign, and independent nation" has come to a standstill.

The document adds that Honduras can be described today as a "capitalist, backward, dependent nation, characterized by the concentration of its production means in the hands of multinational companies while local capitalists and landholders are subordinated to multinational capital."

The peaceful demonstration took place three hours after President Callejas departed for Japan.

Nicaragua

Unrest Stemming From Region 5 Blockades Endures

Region 2 Mayors Back Chamorro

PA1811020490 Managua LA PRENSA in Spanish 16 Nov 90 pp 1,8

["Text" of communique issued by 23 mayors from Region 2 at the Chinandega mayor's office on 14 November]

[Text] The undersigned mayors of Region 2, meeting in the mayor's office in the city of Chinandega, concerned about the incidents that have taken place in the country in the last few days, especially in Region 5, and aware of our responsibility as municipal authorities, agree on the following:

1. To affirm our decisive support for President Violeta B. de Chamorro in carrying out her governmental duties during these difficult times in Nicaragua.

2. To give our support to all mayors in Region 5 in their search for peaceful solutions to the problems they are facing in their municipalities.

3. We make a call so that dialogue, common sense, and justice will prevail so that we can find paths of understanding within the spirit of reconciliation demanded by the country, without resorting to the use of force or violence.

4. We call on the government to fulfill the promises made to the demobilized members of the Nicaraguan Resistance who laid down their weapons for the sake of peace.

5. We demand the complete disarmament of armed civilians—a necessary action in guaranteeing peace and tranquillity for all Nicaraguans.

Signed by the mayors of Chinandega Department: Miguel Cuadra Venerio, Alejandro Valdivia, Antonio Machado, Fausto Moreno, Noel Mendoza, Henry Maradiaga, Felipe Sanchez, Moises Martinez, Oswaldo Novoa, Mirtha Carrion, Juan Jose Salgado, Julio Ordonez, and Arnoldo Davila.

Signed by the mayors of Leon Department: Dr. Luis Felipe Perez, Pedro Garcia, Bayardo Chevez E., Luis Juarez, Agustin Moreno, Abel Reyes, Francisco Luna, Carlos Silva, Isabel Rivas, and Luis Gallo.

Protesters Retake Masaya Building

PA1611210890 Managua Radio Catolica in Spanish 1130 GMT 16 Nov 90

[Interview with Eliseo Nunez, member of the National Opposition Union Political Council in Masaya, by an unidentified reporter in Masaya—live]

[Text] [Reporter] The Masaya Municipal Building has been taken over again and the police are surrounding the building. Here is Eliseo Nunez, a member of the UNO Political Council in Masaya. What can you tell us about the situation in the city last night and early this morning?

[Nunez] For the third day in a row, the people took to the streets to protest and demand the dismissal of Presidency Minister Antonio Lacayo, Government Minister Carlos Hurtado, and Army Chief Humberto Ortega. Yesterday, some members of the Nicaraguan Resistance took over the municipal building, and they are still there. Mayor Sebastian Putuoy handed over the building after the occupants signed a document. The people are

holding public demonstrations in a sign of solidarity with their Region 5 brothers to awaken the consciences of Nicaraguans. Thank you.

Ex-Contras Said Harassing Travelers

PA1711020190 Managua Radio Sandino in Spanish 1200 GMT 16 Nov 90

[Text] Several Chontales Department residents have told Radio Sucesos that the traffic on the road from Juigalpa to El Rama was partially reestablished yesterday afternoon. They pointed out, however, that the demobilized contras harass travelers along this road. The travelers are forced out of their vehicles and asked to present their identity cards to the demobilized individuals, who, in some cases, do not release those people identified as Sandinists.

This situation, among travelers and residents of this region, still remains tense. Residents of Acoyapa and Villa Sandino in Region 5 reported that the mayors and former contras have established supply centers on this road, adding that they only allow UNO [National Opposition Union] supporters to get provisions in the centers.

Government Accused of Promoting War

PA1611224990 Managua Radio Sandino in Spanish 1235 GMT 16 Nov 90

[Text] Oscar Sovalbarro, aka Commander Ruben, yesterday accused the government of promoting the explosion of a new conflict to authorize the use of the police in disturbances in Region 5 and Sebaco. The so-called Nicaraguan Resistance Civic Organization yesterday held a news conference to demand the immediate release of Aristides Sanchez, former member of the contra directorate, who was arrested yesterday by order of Government Minister Carlos Hurtado.

Ruben said that the government is growing weaker and contradicts itself by taking the first steps to solve the conflicts in Region 5 and La Concha via negotiations, but, on the other hand, sending in the police to repress peaceful demonstrators.

Bernardo Pastora, one of the former contras' attorneys, said that government officials, including Roberto Ferrey of the Repatriation Institute, and Gustavo Tablada of INRA, National Agrarian Reform, are squandering millions and giving us land in El Almendro that was already occupied, Pastora complained. On his part, Ruben pointed out that the government is forcing the people to carry out nationwide protests.

Barricades Not Removed Despite Accord

PA1611230890 Managua Radio Sandino in Spanish 1254 GMT 16 Nov 90

[Text] Despite the agreements reached between a government delegation and the demobilized contras and UNO [National Opposition Union] activits who have occupied La Concha, the situation has not been normalized. Barricades blocking the entrance to the town were never removed by the rebellious groups demanding the removal of the police commander, the disarming of civilians, the installation of an agrarian commission, and the appointment of a new government delegate. Although the government accepted all their demands, the barricades still exist. People going to La Concha must get off from buses and vehicles at Las Gradas and walk after going through an inspection. Police sources have reported that the situation in La Concha continues to be tense, as the demobilized contras are firing shots into the air to intimidate the residents who remain inside their houses to avoid danger.

Increased Army Presence Denounced

PA1611214390 Managua Domestic Service in Spanish 1821 GMT 16 Nov 90

[Text] The mayors of Region 5 denounced today the presence of 10 armored vehicles and 10 military trucks with soldiers in the central part of Nicaragua. The mayors are demanding support measures from the government for the former contras. Roger Garcia, spokesman for the mayors, said that the military convoy's advance in Region 5 breaches the agreements reached with President Chamorro's government to begin negotiations to solve the unrest in the middle of Nicaragua.

The source said that the military force's advance has caused tension among those people who support the mayors and the demobilized contras, and who are stationed at various points on the road that links Managua and El Rama. The mayors warned that they will place the roadblocks on the road to El Rama again if no concrete agreements are reached at talks within the next 48 hours. An Army source said that the presence of the military force in Region 5 is due to an operation directed by the Government Ministry, not the Army.

Legislative Assembly Backs Chamorro

PA1711003890 Managua Radio Corporacion in Spanish 2304 GMT 16 Nov 90

["Statement" issued by the Legislative Assembly on 15 November in Managua]

[Text] The Nicaraguan National Assembly, in view of the circumstances in the country, particularly in Region 5, expresses the following:

1. We support the use of dialogue and consensus in a state of law to attain the proper solutions to political and social conflicts.

2. We condemn violence wherever it originates from and support the search for peaceful solutions for the regions' problems by all the legitimately elected authorities.

3. We give Her Excellency Violeta Barrios de Chamorro, president of Nicaragua, a vote of confidence.

Issued in Managua on 15 November 1990.

[Signed] Adan Fletes Valle

Eli Altamirano

Chester Guevara

Daniel Blandon

Bishops Ask People To Remain Calm

PA1711004890 Managua Radio Corporacion in Spanish 2313 GMT 16 Nov 90

[Communique issued by the Nicaraguan Episcopal Conference in Matagalpa on 13 November—read by announcer]

[Text] In view of the country's current serious situation, the bishops of the Nicaraguan Episcopal Conference state the following to all the people of goodwill in Nicaragua:

1. It is urgent that everyone maintain calm in these difficult circumstances. One must act with maturity, always keeping in mind the good of the country.

2. The forces in conflict must refrain from adopting aggressive attitudes and from using violence. If they do not do so, the country will head toward situations of greater confusion and suffering.

3. It is essential that the parties most directly involved in the conflict meet as soon as possible to hold a dialogue and that the people who participate in such a dialogue have decisionmaking power.

4. We must act with great responsibility, because it is known that critical situations, such as the ones we are presently experiencing, can be used by individuals or forces inclined to promote violence, division, and hatred to attain their own objectives.

5. We urge the government to immediately deal with the just demands presented by the demobilized rebels regarding the promises made and to hear, in a frank dialogue, the views and demands of those who supported it in the 25 February elections.

6. It is very important that Catholics be aware of the need to pray with perseverance and confidence to our Lord Jesus and his Holy Mother so that the scourges of hunger and war will remain far from Nicaragua.

Issued in Matagalpa on 13 November 1990

[Signed] Nicaraguan Episcopal Conference

Msgr. Salvador Shaeffer, bishop of Bluefieds and president of the Nicaraguan Episcopal Conference; Msgr. Bosco Vivas Robelo, assistant bishop of Managua and secretary of the Nicaraguan Episcopal Conference.

Vega Doubts Veracity of Report

PA1811152590 Managua EL NUEVO DIARIO in Spanish 17 Nov 90 pp 1, 6

[Text] Bishop Pablo Antonio Vega reached the height of his blindness and hatred yesterday when he expressed his doubt that four policemen were killed during the incidents in Sebaco on the night of 14 November. His statement is not surprising, considering that years ago he justified the massacre of seven children in San Gregorio, Chontales, by the contras with the argument that "killing the soul is worse than killing the body."

The bishop-emissary, as the people in Region 5 call him, went as far as saying that the reports in the media citing the Government Ministry and the Presidency on the massacre perpetrated against the police forces are false. He said: "The government only repeats the information it receives from the Army."

"I cannot say I believe those policemen were killed because I simply do not know the source of the information," Vega said. Although he was not a witness, he said, however, that yesterday the Army fired upon contras and UNO [National Opposition Union] activists who had erected barricades in Juigalpa from two directions. According to Vega, the Army hit, kicked, and insulted the protesters, and even made a man vomit.

Vega was asked: How can you say that the Army did those things in Juigalpa when you were not there? "Because people have told me so," he replied without naming his sources.

The rebel leader called Deputy Presidency Minister Antonio Ibarra servile, saying that a bishop's mission is to unite his parishoners through the Gospel and not to set them against each other, as Vega has been doing.

According to Vega, Ibarra's concept of evangelization is wrong. He said: "If that is his concept of being servile to the powerful, he is very mistaken." He accused Ibarra of being at the service of a cause that humiliates and destroys man's rights.

Using the same language as the contras and UNO extremist and revengeful politicians, Vega said that Sandinism must be eradicated to attain peace. "We must extract the roots. It is like trying to eliminate fleas: Unless you eliminate the eggs, you accomplish nothing," he exemplified.

Vega said that he is merely a mediator in the negotiations between the seditious mayors and the government commission. He clearly contradicted himself, however, when he said: "We are not trying to promote sedition or rebellion. Our civic demands are just," he exlained as spokesman of the mayors and contras movement.

Vega, who is supposedly a religious leader, said that he was hurt and saddened with the arrest of former contra leader and CIA member Aristides Sanchez. "This means

that there are groups within the government trying to create more difficulties," he noted, stressing that the government is very weak.

Region 5 Movement Hits Government

PA1711044590 Managua Domestic Service in Spanish 0350 GMT 17 Nov 90

[Communique No. 7 issued by the Region 5 Let Us Save Democracy Civic Movement on 15 November in Managua; live or recorded—read by Roger Guerra, member of the movement's Press Committee]

[Text] The Let Us Save Democracy Civic Movement of Region 5 makes it known to the national and international community that it:

1. Publicly denounces that in the early evening of today, 15 November 1990, the government deployed a strong military convoy that included 10 armored vehicles to Region 5, endangering the safety of peaceful citizens of the region, thus spoiling by this action the goodwill to solve problems in a peaceful and prudent fashion, and thus violating the agreement between the delegates of her most excellent president of the Republic and delegates of the civic movement that there would be no military presence in the zone.

2. Vigorously regrets and repudiates the jailing of Dr. Aristides Sanchez Herdocia, political adviser of the Nicaraguan Resistance, because this action does not help achieve tranquility or create an atmosphere of trust among the citizens.

3. Urges all citizens to maintain calm and a high sense of prudence and good sense, because Sandinist actions exist to create an atmosphere of restlessness and discontent among the honest people who are dedicated to their work.

Managua, 15 November 1990

Region 5 Mayors Demand Sanchez Release

PA1711150090 Managua Radio Sandino in Spanish 1249 GMT 17 Nov 90

[Text] The government and representatives of the Chontales mayors did not reach an agreement at last night's meeting because the mayors could not reach a consensus on a response to the government's proposals. According to a communique issued by the Presidency's Information Directorate, the government made positive proposals to resolve the problem posed by the blocking of the highway to El Rama. After several hours of debate, however, the mayors were not convinced. Those representing the rebel mayors were Armando Incer, Maritza Garcia, Deputies Humberto Castillas and Nardo Sequeira, and two demobilized ex-contras known as "Wilmer" and "Waslala."

Danilo Lacayo, Presidency information and press director, said he hopes that the meetings continue, but the mayors might as well talk things over and reach a consensus first. Monsignor Pablo Antonio Vega acted as moderator of the meeting, held at the Olof Palme Convention Center in Managua, which concluded at 0100 today.

Region 5 mayors and ex-contras yesterday introduced a new element into the negotiations. They have now demanded that far-right-wing politician Aristides Sanchez be released immediately or they will not sign any document presented by the government. They even threatened to stir things up in the region again. This station's reporters succeeded in obtaining details of the negotiations during the meeting of the mayors, contras, and the government, which lasted approximately nine hours, from 1500 until after midnight.

The mayors were also adamant about their demand that General Humberto Ortega and the government officials in Region 5, particularly Commander Fernando Caldera, be removed. The mayors told the government delegation that they felt threatened when they learned that the government had started a wave of arrests, beginning with that of Sanchez. Hortensia Rivas pointed out to them that they should not press this demand any further, that it could mean the loss of all they had gained so far and that Sanchez should not be the most important issue at the time.

The government sent several officials to the meeting site to try to persuade the mayors, but to no avail. The mayors departed with serious, troubled countenances, asking that Sanchez be set free.

Deputy Humberto Castillas, who has been awake all night, agitatedly told the disappointed Chontales and Boaco mayors who left the talks with the government: "We will assert ourselves today with all our active forces. Region 5 deputies refused to give direct details of the negotiations. Nardo Sequeira said that the government directed them not to give any information. The deputies, however, were heard to say that they will go to the Olof Palme Convention Center at 0900 to participate in the forum, organized by the Civic Way, which is directed by Hortensia Rivas, to report on the situation to all of the rightist organizations, such as the Higher Council of Private Enterprise, the Central Organization of Nicaraguan Workers of Huembes, the Permanent Workers' Congress, and others.

Removal of Roadblocks Denied

PA1711191490 Managua Radio Sandino in Spanish 1231 GMT 17 Nov 90

[Text] Demobilized contras and UNO [National Opposition Unity] activists refuse to remove the obstacles blocking all traffic at the entrance to Santo Tomas in Chontales. The rebels are using the roadblocks as police checkpoints to control the passage of vehicles, which they allow through after searching the cargo and passengers.

The situation in Santo Tomas is still tense and tends to worsen because of the UNO activists' actions that instill fear in the people. In a telephone call from Santo Tomas,

Marcia Perez accused Carlos Carranza and Chano Talavera, well-known UNO activists, of shattering the lamps at the community house, the Army Brigade, and the Sandinist Front's office in order to scare the people. Mobs of UNO followers have also been hurling rocks at these places and threatening the local residents. This is contrary to the spirit of dialogue between the commissions that are negotiating a peaceful solution to the local conflict.

Region 5 Movement on Government Talks

PA1811000490 Managua Domestic Service in Spanish 2241 GMT 17 Nov 909

[Communique issued by the Region 5 Let Us Save Democracy Civic Movement in Managua on 17 November; read by unidentified reporter]

[Text] In our desire to keep the national and international community informed about the dialogue with the government to discuss the demands made by the residents in Region 5, the Let Us Save Democracy Civic Movement states the following through its authorities:

1. Yesterday, high-level commissions from the government and Region 5 met within a climate of cordiality, brotherhood, and mutual understanding to continue a sincere dialogue on the demands presented to the national government.

2. The only specific agreements reached during the dialogue are related to the reorganization of the agrarian commissions and the creation of a decree protecting the relatives of the war disabled or killed members of the Nicaraguan Resistance and the Sandinist People's Army.

3. We remain open to dialogue and negotiation in finding solutions to the problems in Region 5. We hope to achieve specific results that will fully satisfy our just demands and those of the people in Region 5. We will announce those results in due time.

Managua, 17 November 1990.

Sanchez Transferred to Managua Hospital

PA1811012390 Paris AFP in Spanish 0044 GMT 18 Nov 90

[Text] Managua, 17 Nov (AFP)—Former contra leader Aristides Sanchez, who was arrested by Nicaraguan authorities on 15 November, was transferred today to a hospital here due to "heart problems," a local radio station has reported.

Sanchez, who authorities have accused of committing "serious crimes" against the state, recently had open heart surgery in the United States. Described as the first political prisoner of Violeta de Chamorro's government, Sanchez is linked to extremist sectors within the United States.

The former rebel leader's arrest took place in Managua, while in the country's southeastern region, former contras and mayors are demanding the removal of the ministers closest to President Violeta de Chamorro.

Disruption 'Virtually Aborted'

PA1811035990 Managua Domestic Service in Spanish 0319 GMT 18 Nov 90

[Communique issued by the Information and Press Directorate of the Presidency in Manauga on 17 November—live; read by announcer]

[Text] The Information and Press Directorate of the Presidency of the Republic informs the Nicaraguan people and the international community of the following:

1. The results of investigations conducted in relation to the Sanchez Herdocia case and the murder of policemen in Sebaco confirm the existence of a broad plan to disrupt the peace we have achieved and manipulate the demands of the demobilized [contras] with the intention of destabilizing the country.

2. In view of the existence of this dangerous plan and the need to normalize traffic on the road to El Rama, the government of the Republic today ordered the police in Region 5 to normalize traffic between Managua and Via Sandino and to complete by tomorrow the total clearing of the road up to Ciudad Rama.

3. In addition, following the arrest of Aristides Sanchez Herdocia, who is mainly responsible for the aforementioned dangerous plan, the government of the Republic can say that such a plan has been virtually aborted and that the necessary measures will be taken to guarantee a complete return to normalcy.

During the cabinet session to be held in Juigalpa on Wednesday, 21 November, the government will announce the necessary measures to implement the agreements reached with the mayors yesterday.

Managua, 17 November 1990

[Signed] Directorate of Information and Press of the Presidency of the Republic of Nicaragua.

Godoy Attends Meeting of Mayors

PA1811213490 Panama City ACAN in Spanish 1929 GMT 18 Nov 90

[Text] Managua, 18 Nov (ACAN - EFE)—The majority of Nicaragua's mayors are discussing the situation in the central part of the country, which is the scene of politically motivated incidents where 24 persons were killed, dozens were wounded, and losses total in the millions. The meeting was summoned by 18 Region 5 mayors, who failed on Saturday, 17 November, to get President Violeta Barrios de Chamorro to accept their political demands. The mayors are also supporting the former contras who are demanding land and food, as promised by the government when the war ended.

Region 5 municipal officials told ACAN-EFE that the "majority" of the 99 mayors the pro-government coalition has all over the country are attending the discussion, although they did not specify the number. The Region 5 officials are seeking their support and ideas to continue their struggle "to save democracy."

Attending the meeting is Vice President Virgilio Godoy, who received a standing ovation from the mayors, and Managua Mayor Arnoldo Aleman. Both of them are radical anti-Sandinists. "I come as an observer at the invitation of Region 4's (south of Nicaragua) mayors," Godoy told ACAN-EFE. The mayors presented their 13 demands, of which the "most important ones" are related to the disarmament of Sandinist civilians and the dismissal of Presidency Minister Antonio Lacayo, Government Minister Carlos Hurtado, and Army Chief Humberto Ortega.

"Ortega must go," the mayors attending the meeting kept on shouting when the dismissal of the Sandinist general came up. Also attending, in support of the mayors, are National Opposition Union [UNO] deputies and former members of the disarmed contras. Humberto Castilla, UNO deputy for Region 5, said that the negotiations with the Chamorro delegation failed and were suspended "indefinitely," owing to that commission's lack of "decisionmaking capacity."

New Party PNN Issues Four-Point Communique

PA1911035090 Managua Radio Corporacion in Spanish 2300 GMT 15 Nov 90

[Communique issued by the new Nicaraguan National Party (PNN) in Managua on 14 November; read by announcer]

[Text] Nicaraguan National Party (PNN) [Partido Nacional de Nicaragua] issues the following communique:

1. The new Nicaraguan party, PNN, believes that the government headed by President Violeta de Chamorro should investigate and punish the Sandinist soldiers found guilty of violating human rights in the nation's jails. Recordings of the prisoner's relatives and of the prisoners or former prisoners themselves have been aired on several democratic media. They are charging that they have been tortured by state-security members or the famous black berets who have infiltrated the police force.

2. The PNN calls on the Nicaraguan President to take an interest in these cases so that the new democratic government's image is not tarnished in the future. We guarantee our full support for President Charmorro and her cabinet and demand an end to these irregularities for the well-being of the nation and of all the citizens who want peace and not war. We demand that the crimes committed in the past few days do not remain a mystery, as in the days of the Somoza regime.

3. The new Nicaraguan party PNN rejects all abuses of prisoners, who should be treated as such and not as political enemies. The national and international human rights organizations should point out these irregularities and report them to the media.

4. The PNN supports the Region 5 mayors' demands and also those of the demobilized contras as these are just demands. No promises have been fulfilled yet. One of the demands is the withdrawal of General Humberto Ortega from the Armed Forces, as well as the withdrawal of Antonio Lacayo and Government Minister Carlos Hurtado.

Issued in Managua, on 14 November 1990.

[Signed] Dr. Guillermo Soto, national president; Mario [last name indistinct], foreign affairs secretary; Jose Treminio Aburto, political secretary; Marlena Martinez, organization secretary; Auxiliadora Sotomayor, public relations secretary.

Comparison of FSLN Communique on Violence

PA1711040290

Managua BARRICADA in Spanish on 16 November on page 5 carries the "text" of the Sandinist National Liberation Front, FSLN, communique as read by FSLN Commander Luis Carrion. This version has been compared with the Managua domestic version published in the 16 November Latin America DAILY REPORT, page 16, and found to be identical, except for the following variations:

Column one, paragraph five, make first sentence read: Nicaraguan brothers: The FSLN National Directorate has followed with attention and concern the grave incidents of the past few days, trusting that the national authorities would solve the crisis with prudence and firmness. Meanwhile, we have promoted a grass-roots, peaceful solution to the situation.

Last night's incidents in Sebaco show that the problem, far from being solved, has dangerously deteriorated. Therefore, we find it necessary to state our position.

The so-called mayors'....(supplying additional material)

Column two, paragraph six, make first sentence read: We demand that the agrarian commission's tasks be expedited to be able to go from promises to deeds. (supplying indistinct word)

Column two, paragraph seven, make last sentence read: ....the required determination.

For peace and democracy,

Free Fatherland or Death,

FSLN National Directorate,

Issued in Managua on 15 November 1990. (supplying additional material)

Reportage on Daniel Ortega's Visit to Iraq

WA1611160890

For reportage on the visit by Daniel Ortega to Iraq, including reports on his talks with President Saddam Husayn, please see the Iraq section of the 15 November Near East & South Asia DAILY REPORT and subsequent issues.

Panama

Endara Comments on Rapprochement With Cuba

PA1611203790 Madrid EFE in Spanish 1240 GMT 16 Nov 90

[Text] Tokyo, 16 Nov (EFE)—Panamanian President Guillermo Endara hinted here today of the possibility of a rapprochement with Cuba, after diplomatic incidents this year resulted in the explusion of Cuban diplomats from Panama.

In a statement to EFE, Endara admitted that relations with Cuba are still "at a low level." He was optimistic, however, following an exchange of greetings between leaders of both countries at the UN meeting in New York three weeks ago.

"The best defense for the Panama Canal is its neutrality. Therefore, Panama wants to maintain cordial political relations with all countries, the president said. He recalled that the canal will revert to Panama in the year 2000.

Endara noted that a few months after he took office Cuba "despicably criticized" his government and termed it an illegitimate, U.S. Army-controlled government.

Panama expelled the Cuban ambassador and 14 diplomats early this year, but since then there have not been any incidents, Endara stated.

The Panamanian Government maintains a representative office without diplomatic personnel in Havana.

During his one-week visit to Tokyo where he represented Panama at Emperor Akihito's inauguration, Endara met with the presidents of Argentina, Brazil, Paraguay, Bolivia, Costa Rica, Honduras, and El Salvador, as well as ministers from other Latin American countries.

The president dismissed the possibility that his country is going to ask to be admitted to the "Rio Group," and said he will consider such a possibility if the invitation is extended by that organization.

In his meeting with Japanese Prime Minister Toshiki Kaifu, Endara discussed the Panamanian $540-million foreign debt with international financial organizations. Japan has conditioned its economic aid to Panama to payment of its foreign debt and to a $6-million fishing project in the southern part of the country, which is currently being studied.

He also broached the canal alternatives being discussed by the tripartite commission made up of Panama, Japan, and the United States, and said that a final decision will be reached within a three-year period.

"We want to expand our relations with Japan, which could be our principal client when the canal passes to Panamanian hands," the president concluded.

Meanwhile, Endara said that freedom of information exists in his country and he attributed the recent arrests of journalists to the fact that they engaged in "lies and slander."

"This is the first time that the press is allowed to criticize, and I am ready to pay the price of democracy, but I cannot accept slander or lies," he said regarding the recent arrests of journalists and charges that he is maintaining the "gag laws" of the former regime.

Endara responded also to comments by Attorney General Rogelio Cruz, who recently said that "conditions exist for a coup d'etat."

"I feel politically safe and do not think that the military men are powerful enough to promote a coup," he stated.

Endara, who is travelling with his wife and Foreign Minister Julio E. Linares, ended his six-day visit to Japan today.

Ford Discusses TALM, Cuba, Domestic Issues

PA1611190690 Panama City Radio KW Continente in Spanish 1200 GMT 16 Nov 90

[Interview with Second Vice President Guillermo Ford by Omayra Correa and Eduardo Diaz Barrios in Panama City—live]

[Excerpts] [passage omitted] [Correa] I am going to ask Billy Guillermo Ford, second vice president and planning minister, about a treaty that is being discussed in Panama with the United States. It is of interest to both countries. According to National Bank Director Luis Moreno, the United States is exerting tremendous pressure on Panama to sign this Mutual Legal Assistance Treaty [TALM]. There are differences of opinion on this. Michael Kozak, principal deputy secretary of state for inter-American affairs, says that the United States will not accept Panama's financial system. The bankers, the Banking Association, attorneys, and the Panamanian Government have said, however, that if the latest terms of the treaty are accepted, adding measures, such as fiscal ones, that are not illegal in Panama, Panama's banking system would be very much affected. Please tell us—since you are in charge of the economic sector and were president of the Banking Commission, and you have been a negotiator and have traveled a number of times to the United States, which we are aware of—tell us about this treaty. It has also been said that the secrecy surrounding it is affecting the community because we want to be told more, we want to be told everything. Tell us

everything. Tell us why Panama has refused to sign on the terms that the United States has established.

[Ford] First, I must thank you for this opportunity. For many months I have wanted to join you at this station, which has always led an honest struggle for the country's democratization. Let us speak specifically about the issue at hand. Even when the foreign minister is the official designated by the president to handle everything concerning this treaty, I believe that, being typical Panamanians, we are making a mountain out of a molehill.

First, Panama is not obliged to sign anything. Panama is negotiating a mutual legal assistance treaty. Second, in my opinion, the foreign minister is a very capable and honest man, who is analyzing the treaty's advantages and disadvantages. Third, to improve, once and for all, this country's image, which was so damaged during the dictatorship era when Panama was the site of weapons trafficking, money laundering, drug trafficking, etc., Panama should not be opposed in principle to this type of treaty or any other type of treaty that will control these scourges. We must be very cautious—and I do not believe there is any secrecy, it is simply the nature of negotiations—because no country negotiates a treaty with 2 million inhabitants. Negotiations are carried out through the authorities and the conditions of the treaty are later submitted for public consideration and judgment. These conditions must also be ratified or rejected by the Legislative Assembly.

Much has been said to the effect that the banking system will be damaged. I do not believe that any government official will allow a treaty to affect Panama's banking system. There were two specific points that were initially sources of a little friction, but these have been totally dissipated. I was speaking about this with a few friends last night. First of all, corporations will not be affected, because Panama's corporate law has not been modified since 1927. It has served honest national and international commercial interests perfectly well. There was also talk that Panama would open up its banking system, thereby allowing anyone to come and investigate certain accounts. This is not true. If an account must be investigated it must be done through Panama's legal procedures.

Two weeks ago I was surprised to see in a headline that a very respectable association expressed its opposition to TALM. Upon reading the contents of the article, however, I realized that the association made a few excellent recommendations. We cannot go from one unnecessary surprise to another. The Panamanian Government will negotiate this treaty through the foreign minister. The treaty will be submitted to the Cabinet council, which will approve or reject it. It must then be submitted to the Legislative Assembly, as it is an international treaty. The treaty is not shrouded in secrecy, let alone being negotiated behind the Panamanian people's backs. The fact is that we are not yet accustomed to democracy, which precisely requires that we face the people and speak the truth.

[Correa] Therefore, you are telling me that this treaty is about to be signed, that there is no deadlock, no difficulties or problems, that some advantage has been taken of the public through these often supernationalist remarks which are used to...[changes thought] Sometimes it seems to me that the Panamanian people enjoy confrontations with the United States. It is as if this gave the people a name. Many presidents made a name through the United States, by fighting with the gringos. It is sort of a fad. If you are not against the gringos you are not a good politician, you are stupid.

[Ford] No, I do not believe that.

[Correa] Sometimes we exaggerate, we try to gain by fighting with the Americans. This is my impression. I am not talking about [Deputy Foreign Minister] Mulino because I believe he is very reserved. I believe, however, that, as you say, we must state the things that we do not like, things that we do like, things we do and do not accept [words indistinct] a frontal battle.

[Ford] I cannot state what stage the negotiations are at right now. I cannot say whether the treaty is about to be signed or not. I believe a new round of negotiations is coming up but it is just as you say. Panama must establish its position: I will go this far and no more. Period. Why is there a fear that Panama will do this? Nevertheless, we continue speculating that the gringos will impose their way on us and will close the banking center. That is nonsense. We are capable enough to defend Panama's integrity, but we cannot be blind. We cannot say that we are opposed to something that will allow us—as Tommy [businessman Tomas Garcia Fuste] said this morning—to have access to information and accounts in the United States. We are talking about a reciprocal treaty, but you would think it was a one-way treaty.

In other words, if Panama has a few criminals guilty for any of the crimes considered in the treaty, whom we want to investigate or to freeze the accounts or properties of in the United States, the treaty allows us to do this. For example, when Noriega's trial ends...

[Correa, interrupting] There are some colonels who have lots of property in Miami.

[Ford] When Noriega's trial is over the United States will have information concerning money laundering and Panama will be in a position to demand—based upon the treaty— that the United States send us that information, which will be of use to Panama, because Noriega will be brought to trial here in Panama. We are looking at this, however, with our usual little complex of the gringo imposing this or that. We are not children to have things imposed on us. Once and for all, I will say that the treaty, in my opinion, is advantageous for Panama. I am not aware of the terms of the treaty and I am not negotiating those terms. It is up to the foreign minister and the negotiating team to state this. [passage omitted]

[Correa] We have just received an ACAN-EFE cable dispatch saying that President Guillermo Endara is seeking a rapprochement with Cuba and that Panama wants to have cordial relations with all countries. According to the dispatch, Endara said that no incidents have occurred since Panama expelled the Cuban ambassador and 14 diplomats early this year.

There seems to be some disagreement, however, between Panamanian leaders. Vice President Guillermo Ford has said that he does not want to have anything to do with Cuba. Perhaps because he is in Tokyo, President Endara does not know there have been some incidents regarding Fidel Castro. It has become known that the Cuban Embassy is being used as a center for subversive purposes because of the phone calls that Noriega has been making from his prison to Lucho Gomez, asking him how things are and if he is working—we do not know on what. This is a flagrant intervention by an embassy that must respect the right for asylum, instead of protecting and encouraging the enemies of democracy in this country. Apparently, the president has not learned about this because he is in Tokyo. I think our vice president is not overly enthusiastic about the possibility of being friends with Fidel Castro. What do you have to say?

[Ford] First, I must say very clearly that, according to the Constitution, the president of the republic is the highest authority and the one who makes decisions on international relations. I can, however, express ny personal opinion. I do not want relations with Castro. Nonetheless, if the president decides that these relations are best, the Constitution gives him the right to make such a decision.

The problem is that Castro showed disrespect toward Panama when Panama finally attained freedom from a severe monster who had been supported, among others, by Castro. There is ample evidence of this support. At that time, the Havana government boasted of censuring Panama and its new government, and showed them disrespect. When we sent delegations abroad in the first months of the government, the Cuban delegates demanded that the Panamanians, who had been freely elected in a democracy, be expelled from meetings. So this is not a personal bias on my part. I think Panama was insulted. As a result, the foreign minister recommended—and the president authorized it—the reduction of the number of Cuban delegates in Panama to the smallest number possible. The foreign minister also requested that the Cuban ambassador leave the country. Therefore, unless Castro's actions have reversed 180 degrees, which I am not aware of, my personal stance is that I do not want anything to do with Castro.

[Correa] There you have it, my Cuban friends. Do not be scandalized by the vice president's statements. There are differences of opinion within the government, and the Panamanian people have asked at the top of their voices for Panama to definitively break off relations with Fidel Castro, precisely because he armed this country so heavily that he ruined it. You will be hearing statements—which Tomas has—by Noriega's own agents, regarding the manner in which Fidel Castro gained control of this country, issuing orders even for the most insignificant matters and approving any measure that was adopted in Panama.

Panama's presidents used to go to Cuba to ask Fidel Castro for permission to do what they planned to do in Panama. The Panamanian people have rejected this flagrant intervention, and I am sure that many Panamanians will not like the remarks concerning the alleged rapprochement between Cuba and the president, who said as much in Tokyo. The Panamanian people will not agree with this.

[Ford] I believe that we should give the president, who is returning home over the weekend, the opportunity to explain himself. Sometimes the news agencies publish the impression of a given moment, and I do not believe it would be fair or proper to criticize the president when we are not aware of the depth of his remarks. I would say that once he arrives in Panama he should be asked, and I am sure that he will be able to explain or reiterate the remarks he made in Tokyo.

[Correa] Mr. Minister, Panama has managed to refinance its foreign debt. Yesterday, 15 November, Panama culminated negotiations with the banks and EEC organizations that comprise the so-called Paris Club, for a total of $310 million, including a five-year grace period and with five years to pay 100 percent of the debt financing as well as the interest that came due on 31 October 1990.

Despite this report, which was celebrated within government economic circles, the well-known economist Dr. Guillermo Chapman said yesterday on television that the foreign debt renegotiation with the Paris Club will yield very little or no benefits for our country. He also said, however, that in general terms this agreement opens up new prospects and justifies the policy that the government has followed.

Meanwhile, Panama's debt surpasses $2 billion. What does the debt renegotiation mean to you, as the planning and economic policy minister? More debt?

[Ford] First, the statements made by Dr. Chapman, whom I respect as an economist, caught my attention. I am not an economist, but I know about figures. He said that this agreement will not have a big impact. Let me tell you what was happening in the Paris Club. Up until 1985, the previous governments had to refinance a heavy debt burden because they knew that from that point on they could not make their debt payments. They managed to refinance their debt even before it became delinquent, and they refinanced the payments that were scheduled to be made in 1990, 1991, and 1992, or, in other words, that would fall on our shoulders.

After 1985, the dictatorial government continued taking out loans to purchase the Puma, the famous helicopter,

among other things. What the Panamanian Government has done is the following: We plan to repay, within 10 years, all of the debt that was refinanced in 1985, thereby releasing the government's cash flow. This is what we need to do, instead of compromising our meager resources in order to invest them. We will have a five-year grace period, during which we will only pay interest, not capital. This means that we will have a respite.

Concerning the debts between 1985 and 1989, which we inherited, we must pay them in 1991. Dr. Chapman says that he was not aware of the terms of the refinancing agreement, the notes to which I have in my office. Yet he says that there will be no great respite. On this occasion, I cannot share Dr. Chapman's opinion. What does this renegotiation mean? It means that the burden will be lifted. It is similar to when one has a loan and must pay $50 monthly, and one gets the banker to extend the time limit and reduce the monthly payment by $10. Is there or is there not an easing of the burden? This is what is called refinancing, the extension of a short-term deadline to a longer-term deadline, thereby giving ourselves a little room to breathe. This is the first point.

This is the second point: If we had not refinanced our debt with the Paris Club—these are debts between countries, sovereign debts, as the economists say—we could not have continued negotiations with the World Bank, IMF, and Inter-American Development Bank (IDB), or with the private banks. If we had not settled the country's sovereign debt, we could hardly have asked other credit institutions to help Panama in refinancing its heavy debt burden. I believe that this is a basic step in normalizing our debts.

At this point, so that the Panamanian people can understand, I would like to mention that we have four different debts. We owe approximately $2.2 billion to foreign private banks. These are not official or government banks. We also have debts with international financial institutions, like the World Bank, the IDB, and the IMF. Regardless of the balance of the debt, we have to cancel overdue payments for $540 million. We already have a support group, so that as of now that economic aspect is settled. We also had debts with the Paris Club, which was the sovereign debt with other countries, and we had to settle that heavy burden. Last, we also have the bonds issued by the dictatorship, which were placed in Japan. They were sold to investors who did not even know where Panama was. We have not honored that debt, although even the poorest countries have always honored their bonds.

We have been discussing the foreign debt. Why not discuss the domestic debt? When we normalize our relations with the credit sources, the World Bank, IDB, and the other sources, it will allow the country to obtain long-term credits with low interest rates.

We forget, however, that we have a huge domestic floating debt to local businessmen who have sold services to the government. We owe them $140 million, and we cannot pay. To the extent that we lighten the heavy burden that we inherited and refinance, we will have more dollars to meet our obligations, such as with the Social Security Institute. People in Panama are always talking about the Social Security problem. I think that we have handled this issue somewhat lightly. It was a terrible inheritance and is one of the crimes that the dictatorship committed against Panama. It looted the Social Security Institute. President Endara must tell the people what the problem is and what the solutions will be.

The labor leaders, however, are presenting certain demands. They say that they will not allow changes in the retirement age. Who are these labor leaders, to tell the national government and the true owners of the Social Security Institute—who are all the members, not the employers—what to do? What can we tell the pensioners? That the labor leaders are opposed to saving the Social Security Institute?

It is time to set demagoguery aside. This country is going to be run by high-level government officials. Government employees must feel that they are part and parcel of the restructuring of the incredible morass in which we found this institution.

Now I see that four alleged labor leaders, however, are planning to disrupt public order in Panama. They said yesterday that if we did not talk with them they might adopt other measures, and now the newspapers say that they have already decided to go on strike. Well, Mayin, it is enough. They can go on strike. I challenge Isaac Rodriguez, Hector Aleman, and Miller of the Intel [National Institute of Telecommunications] union to declare a national strike. It is time to define once and for all who holds the authority in this country. Panamanians are tired of this situation. People want to work, to live in peace. People did not struggle for 21 years, especially during the past 30 months—you were also persecuted—for four young pipsqueaks to come out now saying that they represent the people's will.

If they want to be politicians, they should step into the political arena and tell the people the truth. Why has Isaac Rodriguez not said that, complying with the law, the government paid $3.8 million to government employees who were dismissed by the dictatorship, and then reinstated them in their jobs? Let me tell you this: They were paid their salaries and annual leave. They received a 50-percent discount in their light bills as IRHE [Institute of Hydraulic Resources and Electrification] employees. They were paid the 13th month bonus, and then they were reinstated in their jobs.

It is true that they were persecuted, but they did not fight more than I did. Isaac Rodriguez did not fight more than I did, and I did not get anything when I was exiled. Rodriguez complains that hospitals do not have medicines and that the Social Security Fund is in a terrible

state, but he does not say how much he received. He has not said that the IRHE, under extremely unfavorable conditions, is making a great effort to comply with the law and will follow the court's ruling by paying $3.8 million to those employees.

So you see, they did not work during the time they were exiled, and still they were paid. Gentlemen, let us tell the truth. If those labor leaders want to come to this program or to a television program, I challenge them. Mayin, we cannot go on living with lies. Our people are tired and worn out, although their spirits are high. And as Panamanians, not as government leaders, we will not let that enthusiasm die. [passage omitted]

[Correa] What about the U.S. aid?

[Ford] We will summarize this once again. The U.S. Government has given a total of $420 million. Out of that package, $130 million are grants that we do not have to repay, because it is all part of a grant-in-aid to be used along with the support group and Panamanian funds to make overdue payments to international financial institutions.

There is another $114-million package that we have broken down as follows: $20 million in seed capital for the FES or the Special Social Fund, the job generator that we are talking about for which we are already receiving projects; about $52 million to strengthen public investments, which we have already authorized and are in the process of establishing specifications for in the areas of education, health, highway construction, and so on; and a reserve of about $42 million that we will use as a lever—which is the term used by internationalists and economists—for future loans that we will receive from financial institutions, because they usually say that they will loan you $2 or $3 for each dollar that the country puts down. In other words, we must have that capital.

There is authorization for $107.8 million that will be channelled via private banks. Those banks will place loans in all sectors, in the agricultural, mortgage, commercial, and industrial sectors, and so on, for up to five-year periods.

What has reached Panama? About $28 million have arrived, which will be channelled via the banks, and $38 million, which will be used to strengthen investments. We have invested about $30 million on the Chorrillo package. Nothing more has arrived, Mayin.

Now, why the delay? The agreement clearly states—and Panama accepted this—that it will come in installments. For example, the $114 million that we talked about, which is one of the packages, will arrive in three equal installments. They are also conditioned, however, to the signing of TALM, which we have talked about this morning.

Once the national government, following the advice of the foreign minister, arrives at the conclusion that we can indeed sign the agreement, the other installments will automatically arrive. It is not that we were going to get a check for $420 million. Even if they had given us such a check, Mayin, it was impossible to spend $420 million in six months.

Notice that—and this is important because it is one of the greatest frustrations that we in the government have—between June and August $60 million worth of special budgets for public investments were approved. Very little of that, however, has been invested. Why? We had to produce drafts, specifications, and bids, because we have to respect the fiscal code. All these bidded projects, which involve improvements at schools, highways, hospitals, and so on, will be assigned by year's end.

Regretfully, or fortunately, depending on how we want to view this, the democratic regime imposes a stringent fiscal discipline on us. We must respect the fiscal code. This has nothing to do with whether the comptroller general gives his authorization. They are on the budget, but we must fulfill the requirements established by law.

In the past, during the rapture of the millions, anything could be done. They were given $1 million and they spent it as they pleased. We are being responsible and are complying with all the laws.

[Correa] Minister, what part of these installments is included in the budget?

[Ford] All.

[Correa] All is budgeted for 1991?

[Ford] Part of it was budgeted for 1990, and the money not used this year will be transferred to 1991.

[Correa] Including the $114 million conditioned to TALM?

[Ford] Yes, of course.

[Correa] Is it true that there is a surplus of $200 million? The president of the budget commission of the Legislative Assembly said on the program "La Opinion" here last night that he understood there was a $200-million surplus in the current budget.

[Ford] First, let us remember that when the draft budget was submitted, the first one in three years, there were some sarcastic smiles from people who thought the budget was not going to be balanced. We set clear guidelines, and fortunately, thanks to tax collections supervised by the finance minister, thanks to a rational government spending program supervised by the comptroller, and thanks to the overall determination of the entire government team not to squander money, we expect this year's budget will have an excess.

The comptroller does not want to speak of a surplus, he wants to speak of an excess. Why does he not want to speak of a surplus? Because there is a series of extraordinary revenues that are nonrecurrent, such as the funds

that were frozen in the United States when all the limitations were placed on the Noriega regime. Approximately $380 million were frozen in the United States. This money, which has returned to Panama, will be included in the budget as a revenue entry in 1991. This same amount will not return the following year.

The comptroller has sent out a message saying there should be a prudent, rational use of government expenditures, but if they want to call it the way it should be called, there is a surplus. The revenues are greater than the expenditures. In budget terms, we could call it a surplus.

The comptroller mentioned another side to this, which I share. It does not mean we can go crazy. Any excess in spending in addition to the difference between the revenues and the expenditures, shown in the budget on the last day of 1990, will be transferred over to the 1991 budget, and this has already been stipulated. Whatever we do not spend this year will be transferred over to 1991, and if we do not come up with the figures we planned, there could be a deficit for 1991. The important thing is that we continue to implement the budget. I do believe the budget has been implemented to a small extent, but we must implement it even more. We have to loosen up the nuts a little bit. There will in fact be an excess, and this excess will be transferred to 1991. [passage omitted]

Newspapers View Noriega Tape Leak by CNN

PA1611171590

[Editorial Report] Herewith is a compilation of reports carried by different Panamanian newspapers on General Manuel Antonio Noriega's trial in the United States, and the tapes of his telephone conversations broadcast by CNN.

Panama City LA PRENSA in Spanish on 12 November in its "In A Few Words" column on page 32A says that some Panamanians are alarmed over the possibility that Noriega might be released. The columnist says that "although we should not let our guard down, this alarm is not justified." It says that without the support of the U.S. Government, the DEA, and the drug cartels, he is nobody. "He is a poor devil racked by psychological torment," he states.

The columnist says there is enough evidence in Panama against Noriega and his cronies to "send them to prison for the rest of their lives."

Panama City EL DIARIO INDEPENDIENTE on 13 November on page 15 carries an article by former Panama Defense Forces Colonel Roberto Diaz Herrera. The article entitled, "Who is Afraid Of Noriega Wolf?" asks several questions. "How did CNN get the Noriega tapes? Was it the CIA, and if so, why? Is it a strategy by Noriega's lawyers to delay the trial? Are there other reasons?" After commenting on CNN reporter Marlene Fernandez, he asks, "Why do some U.S. sectors attack Noriega? Is the U.S. Government fed up with President Endara's ineffectiveness as a leader?"

Meanwhile, Panama City LA PRENSA in Spanish on 14 November on page 1, in its "As of Today" editorial column comments on CNN's airing of the tapes of Noriega's telephone conversations. It says that "someone is trying to help Noriega because of the gloomy outlook for his trial." It says that most of his comrades in crime have turned against him. It says that "someone who is helping Noriega has access to recordings made in the utmost secrecy, and which very few people knew about."

The editorial says that despite everything that has happened "there are sectors or groups within the U.S. Government who consider Noriega's friendship more important than their country." It says that Panama must "ask for Noriega's extradition to prevent the United States using legal trickery to release the former dictator."

Argentina

Disagreement Remains in UK Negotiations

PY1611191090 Buenos Aires CLARIN in Spanish 15 Nov 90 p 9

[Report by Oscar Raul Cardoso]

[Text] A telephone conversation between Foreign Ministers Douglas Hurd and Domingo Cavallo on 12 November prevented a rupture in the Argentine-British negotiations on the South Atlantic that began in Madrid on 11 November, after the delegations rejected each other's proposals. After overcoming this obstacle, however, a delicate disagreement remains between the two governments.

London did not accept a system of coadministration for the fishing wealth of the waters that are currently considered international and extend between Argentina's exclusive economic zone [EEZ] and the provisional fishery administration that the UK has maintained around the Malvinas Islands since 1986. The rejection took place despite the fact that this system represents a large concession by the Argentine Government, and it is being contested by the Argentine opposition.

Diplomatic sources have stated that Buenos Aires did not find acceptable an expansion of the British zone "in two triangles of approximately five miles" in length that were outlined in such a way that the UK would maintain virtual exclusive control over migration of much-coveted commercial species, such as the Illex squid. The contents of the British proposal also reveal a lack of confidence in Argentina's ability to prevent depredation of the zone, in addition to a desire to preserve the species for itself.

The two parties must reach some type of agreement on the commitment they have assumed—that of agreeing to some type of system before the end of the year—because the annual fishing season is only a few weeks away.

The situation was sufficiently difficult for Cavallo to telephone Hurd from Buenos Aires and then make a stopover in Madrid on his way to Brussels, where he faces another of Argentina's serious external problems—the moribund Uruguayan round of GATT negotiations.

The most dangerous moment for the dialogue occurred on the night of 12 November when the Argentine Government expressed its concern over the fact that the parties were experiencing their most difficult time since links were reestablished in February 1990.

Sources consulted by CLARIN have indicated that if the disagreement is not overcome, there will only be two options for Argentina:

—Return to a multilateral channel by submitting a resolution to the United Nations to obtain support for its demands. The sources indicated that the Argentine delegation has prepared a draft and is waiting for instructions from Buenos Aires before submitting it.

—Carry out strict control in the waters of its own EEZ up to the so-called mile 201 with a consequent increase in tension regarding security in the area because of the possibility of incidents with British vessels and third-country fishing vessels that operate from the islands.

Margaret Thatcher's government, which is under strong pressure from the islanders and fishing interests, has the alternative of unilaterally defining the continental platform of its de facto possession by extending the fishing zone to 200 miles, a possibility that Argentina has already warned against.

The problem with the multilateral forum, which Raul Alfonsin's government resorted to with limited practical results, is that last year Carlos Menem discarded it in favor of a strictly bilateral course, acceding to a request from London. The sources acknowledged that if Menem decided to change his mind, it is possible that favorable votes in the United Nations would not amount to more than 70 in comparison with the 100 favorable votes obtained by Argentina on previous occasions.

In addition, this project would again bring the main question into the open; in other words, the question of sovereignty that the parties have placed under the so-called "umbrella" formula, which was in turn adapted from the Antarctic Treaty—freezing it without a deadline.

The differences that exist between the two parties puts a strain on this formula because it is much more than just an individual or isolated difficulty. It is a problem of sovereignty because it involves territorial jurisdictions and fishery, mineral, and oil resources.

The inexpressive communique that the parties released on 14 November makes an effort not to reflect—at least excessively—a continuation of the problem and its risks.

According to his spokesmen, Cavallo will carry out his business in Brussels, where he will meet with his U.S. colleague, James Baker, and upon his return, he will brief the Fishery and Foreign Relations Committees of Congress. The foreign minister intends to minimize the opposition's criticism of the negotiations with London and of the negotiations on fishing conducted by some of his delegates, such as Jose Maria Otegui (director of the Malvinas desk), and Aldo Dadone (an adviser who comes from the Mediterranean Foundation).

Cavallo Returns, Comments on Talks

PY1711210090 Buenos Aires DYN in Spanish 1436 GMT 17 Nov 90

[Text] Buenos Aires, 17 Nov (DYN)—Foreign Minister Domingo Cavallo warned today that if no agreement is reached with the UK on fishing in the South Atlantic, "we may take unilateral measures, and this could lead to some sort of confrontation" which "could be harmful to everyone."

Cavallo noted, however, that "we made progress" in the Argentine-British talks on fishing that began on 11 November "and the possibility for negotiations remained open."

Cavallo made these comments at Ezeiza International Airport after returning from Spain. Cavallo explained that he did not participate in the talks in Spain but only gave "direct instructions to the Argentine negotiators" "to make progress on a bilateral agreement" on fishing regulations.

Cavallo also reported that the EEC made a proposal to jointly negotiate "a fishing agreement with Argentina and other Latin American countries." Cavallo said: "I said that we would be glad to negotiate an agreement because it would give us access to the EEC and the EEC access to the South Atlantic." He added: "But this will only take place if we reach a successful agreement with the UK, which is a priority issue."

Regarding his trip to Brussels, where he discussed the delicate issue of the Uruguayan Round of GATT talks that will conclude in three weeks, Cavallo said that although the positions adopted by the various countries "are quite different" on the issue of subsidies for agricultural products, "there is a will to continue the negotiations."

He expressed the hope that the EEC will become more flexible in its agricultural policy and emphasized the need for the EEC to become aware that "there some aspects of their proposal that are completely unacceptable." He gave as an example what has been called the "counterbalance," which he said "would mean increasing EEC restrictions on seeds and oil products" and "would be very harmful to Argentina, Brazil, and other countries."

Cavallo complained: "The continuation of subsidies on exports depresses agricultural prices on world markets."

Cavallo pointed out, however, that he believes that "there is a possibility that the EEC may change its position, like the United States and other countries have done," "to contribute to reaching an agreement."

He concluded by labeling the obstructions in the world trade system as "inconceivable". He indicated, however, that "there is a will to use the time remaining in the Uruguayan Round of GATT talks to make progress."

Clarifies 'Unilateral Measures'

PY1811210890 Buenos Aires TELAM in Spanish 1720 GMT 18 Nov 90

[Text] Buenos Aires, 18 Nov (TELAM)—The Press Directorate of the Foreign Ministry has denied that Foreign Minister Domingo Cavallo allegedly stated "that our country has threatened to use unilateral measures" in the fishing negotiations between Argentina and the United Kingdom.

This denial contradicts reports disseminated today by the media in which it was stated that "the adoption of unilateral measures will lead to a confrontation that will harm everyone."

The Foreign Ministry communique also points out that it should be understood that "Argentina will be obliged to respond to unilateral measures that could be adopted by the UK if a bilateral agreement is not achieved, with the resulting harm for both parties." The communique states: "This is precisely the kind of situation that Argentine diplomacy wants to prevent."

Further on Talks With UK, Gulf

PY1811212490 Buenos Aires DYN in Spanish 2038 GMT 18 Nov 90

[Excerpts] Buenos Aires, 18 Nov (DYN)—Foreign Minister Domingo Cavallo stated today that the negotiations with Great Britain to formalize a fishing agreement for the South Atlantic "have been unblocked" because there is a "spirit of dialogue which will permit the rational exploitation of resources and will allow us to cooperate with the UK instead of entering into a confrontation." [passage omitted]

The foreign minister also referred to an eventual armed conflict in the Persian Gulf, indicating that Argentina will fully support any step that will lead to negotiations to achieve a peaceful solution to the problem that has emerged with Iraq, but that in case of war Argentina's participation must be approved by Congress.

The minister stressed that Argentina wishes to contribute to "the collective security theme" and that an attack against Iraq can only come about by decision of the UN Security Council.

Menem on New Credits, Gulf Crisis

PY1811221490 Buenos Aires TELAM in Spanish 1108 GMT 18 Nov 90

[Excerpts] Buenos Aires, 18 Nov (TELAM)—President Carlos Menem has said that his trip to Japan and the PRC was "very good," with "excellent results," and confirmed that credit from the international banking sector has been unblocked and will be used "to reform the state."

Menem arrived a few minutes before 0600 at Ezeiza International Airport. Speaking with the media, he also referred to the upcoming visit to Argentina of his U.S. counterpart, George Bush, the negotiations with Great Britain on fishing in the South Atlantic, and constitutional reform.

Menem stressed that "the Argentine Government clearly has credibility now" and that there "are concrete possibilities of increasing the trade balance" of our country. He stated that "we are going to receive several billions of

dollars" through World Bank credits so that the reform of the state "can go ahead as we have opportunely planned."

The chief of state was met at the airport by Vice President Eduardo Duhalde, Foreign Minister Domingo Cavallo, Jose Luis Manzano, head of the Justicialist Party bloc of deputies, and others. [passage omitted]

Menem confirmed that "everything is planned" for U.S. President George Bush's visit to Argentina on 5 December, although he admitted that "if there is an armed confrontation in the Persian Gulf, the date of arrival" of the U.S. chief of state "could be modified. The situation in the Persian Gulf is very difficult," he added.

Foreign Minister Domingo Cavallo has stated that in the case of an armed conflict, "we will keep our vessels in the Gulf for control purposes, as they have been instructed, within the framework of a peaceful solution." He stressed: "We will submit the question to Congress."

Cavallo further emphasized that, in terms of the Gulf, "we will always act in accordance with the resolutions of the UN Security Council." He maintained that "a new system for world peace and security is emerging from this conflict," a world "in which we want, as much as possible, to be a founding member." [passage omitted]

Menem admitted that "there are some problems" in the diplomatic negotiations with Great Britain on fishing in the South Atlantic, but he affirmed that those inconveniences are "heading toward resolution."

If the differences between the two countries are not resolved, he said, "we will continue the discussions and put up the necessary battles, in the good sense of the word, which has nothing to do with the question of warfare [cuestion belica]."

Menem stressed that the Argentine Government will continue "the necessary fight to defend our rights in this issue." He noted that the differences are basically over "the areas where the English claim to have the right" to fish, but these are areas over which "we are not claiming anything but rather stating that we do have those rights."

Foreign Minister Domingo Cavallo was then asked by reporters if the talks with the UK representatives had stagnated. He answered: "That is old news, three-day-old news. The latest information indicates that the negotiations have been unblocked and that new meetings have been scheduled" by the Argentine-British work group. [passage omitted]

Economy Minister Ratifies Streamlining Plan

PY1611232190 Buenos Aires BUENOS AIRES HERALD in English 16 Nov 90 p 11

[Text] (NA-DYN)—Economy Minister Antonio Erman Gonzalez confirmed yesterday that 127,000 public employees will lose their jobs over a period of three years in the hope of saving 1.5 billion dollars. Gonzalez confirmed that he would sign a decree ordering the cuts in administrative staff on his return from the presidential tour in the Far East.

In statements from China on Radio America, the Economy Minister justified the decision to sack public employees saying that "we think, talk and hope about a modern country and for this we need a modern and efficient state."

Although there are no definite figures, it is estimated that 34 percent of those employed in the central administration and 40 percent of those with jobs in other government departments, particularly in education and defence will lose their jobs.

Economy Undersecretary Hector Dominicone stated yesterday that the proposed cuts would be financed by the World Bank and the Interamerican Development Bank. Domenicone said employees in state companies would be unaffected and stated that those made redundant would be offered either compensation or voluntary retirement or would have to face dismissal.

Domenicone also confirmed the government's commitment to "retraining" redundant public employees and finding them work in the private sector.

Presidential Chief-of-Staff Eduardo Bauza yesterday played down the government proposals, insisting they would be discussed by the national cabinet on President Carlos Menem's return from his tour of Japan and China.

Bauza contradicted the economy minister, saying that "the proposal has only been discussed by the economic team and World Bank officials and no government decision has been taken."

Clarin newspaper yesterday fleshed out the government's administrative cuts, holding that as from January 31 next year "restructuring" would begin, with all government departments submitting plans to streamline their organizations before that date.

The government aims to have the administration down by 34 percent although the Tax Bureau (DGI), Customs, the National Institute for Public Administration, the Federal Police and prison services will remain unaffected.

Specific guidelines will be laid down to restructure scientific and technical organizations, the Armed Forces and education.

Official Says Army Has 'No Open Wounds Left'

PY1611165490 Buenos Aires TELAM in Spanish 1918 GMT 15 Nov 90

[Text] Buenos Aires, 15 Nov (TELAM)—General Martin Bonnet, Army chief of staff, has stated that his

branch "has no open wounds left" and that all of its members "are well aware of their duties and are doing them very well."

Bonnet made these remarks after attending a commemoration of the 179th anniversary of the Army General Staff, which took place at the Libertador Building with Defense Minister Humberto Romero presiding.

Gen. Bonnet reiterated that "(the Army's) wounds healed long ago" and announced that on 19 November, he will preside over a meeting of commanding officers to "wrap up the current year, critically evaluate 1990, and lay the groundwork for next year."

He added that the latter subject "includes measures to reorganize the branch" and confirmed that military units "currently headquartered in Campo de Mayo" will be transferred to Corrientes, Misiones, and Entre Rios Provinces.

General Martin Balza, Army deputy chief of staff, stated: "We must continue streamlining procedures to facilitate and encourage joint actions, convinced that no single branch can ever attain success on its own."

He added: "We must adjust our organization to the country's means by trying to reconcile objectives and available means."

He emphasized that "nobody owns" the general staff, which "is a group of men with a true calling."

More on Violence at Trade Union Rally

PY1611225790 Buenos Aires BUENOS AIRES HERALD in English 16 Nov 90 p 1

[Text] (NA-DYN)—The dissident Azopardo branch of the General Labour Confederation (CGT) [General Confederation of Labor] yesterday staged the first national demonstration against the government of President Carlos Menem with an estimated turnout of 25,000 in Plaza de Mayo. The CGT-Azopardo, however, placed the figure at 110,000.

CGT-Azopardo chief Saul Ubaldini, the only speaker at the rally, pointed a warning finger at economic officials saying "if they want we'll launch a battle plan."

"I hope to God it never happens," he added.

Towards the end of the rally—marred by violent clashes leaving three policemen injured and at least three protesters behind bars—Ubaldini said he sought to bring about changes in economic policy through a "constructive opposition."

Yet despite calling the rally a "day of proposal not protest," Ubaldini failed to put forth any initiatives for change and simply lambasted the "hunger and unemployment" which he blamed on the economic plan. He decried strike curbs, labour flexibilization, education policies and the situation of pensioners.

Two serious incidents—amid many other minor clashes—took place during the demonstration close to the metropolitan Cathedral. The first broke out when a group of carapintada supporters of former rebel leader retired Colonel Mohamed Ali Seineldin, bearing dark glasses and cane sticks, clashed violently with the Federal Police on being prevented further access.

Later on, another 100 protesters attacked four policemen who were hauling away a youth found with a switchblade. An officer was severely injured and admitted to Churruca hospital.

The crowd gathered in Plaza de Mayo chanted tirelessly against Menem and Lorenzo Miguel, the leader of the powerful UOM metal workers union who pulled out the CGT-Azopardo in rejection of its protest drive.

The demonstration was clear proof of the split within the labour movement as over half of the support was mustered by different political factions, such as the Intransigent Party, the Peronist Youth, the October 17 movement led by Deputy Luis Brunati and the Multi-Sector Opposition Front.

In turn, the only CGT-Azopardo unions with important drawing- power which chose to back the rally, ATE [Association of State Workers] state workers union and CTERA [Confederation of Education Workers of the Argentine Republic] teachers confederation, provided the bulk of labour activists.

Around the country, support for the "day of protest" was mild with 2,000 activists gathering in Rosario.

Correction to Metalworkers Union Pulls Out

PY1611015590

The following correction pertains to the item headlined "Metalworkers Union Withdraws," published in the 15 November Latin America DAILY REPORT, page 12:

Column two, make sourceline of item read: ...Buenos Aires BUENOS AIRES HERALD in English 14 Nov 90 p 1... (correcting date)

Bolivia

Government Protests Raid on Embassy in Kuwait

PY1611151090 La Paz EL DIARIO in Spanish 8 Nov 90 p 5

[Quotation marks as published]

[Text] The national government has made known its protest to Iraq over a raid on the Bolivian diplomatic mission in Kuwait, stating that it was a violation of international law.

The Foreign Ministry Diplomatic Information Directorate has issued a communique making known the

results of a meeting between acting Foreign Minister Jorge Soruco and Iraqi concurrent ambassador Qays Tawfiq al-Mukhtar.

The communique says:

"Regarding a recent visit to Bolivia by Iraqi Ambassador Qays Tawfiq al-Mukhtar, whose office is in Brasilia and who was accredited to our government on 12 June 1987, it is appropriate to point out the following:

1. The Foreign Relations and Worship Ministry agreed to grant a protocol audience to the aforementioned diplomat. This audience was held on 5 November. During the audience and after carefully listening to the diplomatic issues that the Iraqi ambassador raised on the Iraqi position on the Persian Gulf conflict, acting Foreign Minister Dr. Jorge Soruco Villanueva made known to the Iraqi ambassador the international policy Bolivia has been pursuing with respect to this conflict, which has jeopardized international peace and security and has led the United Nations, through the Security Council, to implement a number of measures to overcome "threats to peace, the breaching of peace, and acts of aggression." These measures are mandatory for all members of that international organization.

2. The acting foreign minister explained to the Iraqi diplomat that the UN Security Council resolutions on the conflict merit massive adherence by the international community of nations, including our country, because those resolutions include basic principles of our international policy such as the duty to seek a negotiated peaceful settlement to controversies, the ban on using and threatening to use force in international relations and, therefore, the nonrecognition of military occupation of territories involving the sovereignty, independence, and territorial integrity of states.

3. The Bolivian acting foreign minister made known the Bolivian protest over certain illegal measures that members of the Iraqi Armed Forces carried out against our diplomatic mission in Kuwait—measures that, in the opinion of the Bolivian Foreign Ministry, represent a clear violation of international law and for which Iraq can be held internationally responsible."

Government Refuses To Comply With Tax Ruling

PY1611153290 La Paz PRESENCIA in Spanish 7 Nov 90 p 1

[Text] Compliance with a Supreme Court resolution issued in the wake of a request filed by the Taquina Brewery—which asked that a law be declared unconstitutional—would compel the government to reimburse approximately 2.4 million Bolivian pesos to this company. In addition, compliance with the resolution would set a bad precedent that could cause a fiscal loss of approximately $50 million. The same resolution could be used to invalidate the enforcement of other taxes that were created in the budget laws of 1989 and 1990.

This statement was made by Juan Carlos Pereira, Internal Revenue Department executive director, who stressed: "The Supreme Court ruling will not be complied with because, basically, it would jeopardize economic stability."

Last year the Taquina Brewery filed a request with the Supreme Court asking that the part of the 1989 budget law that increases the specific consumption tax from 30 to 45 percent be declared unconstitutional.

Pereira said that the most serious thing is that "if an enterprise does not pay a specific tax, all taxpayers will feel like adopting the same attitude. The concept of the legality of taxes would be lost, and this would have a devastating effect." The stability of the national economy, which was so difficult to attain, would be jeopardized.

President Paz Comments on Crisis

PY1711024790 Madrid EFE in Spanish 2313 GMT 16 Nov 90

[Text] La Paz, 16 Nov (EFE)—Bolivian President Jaime Paz Zamora said today that the institutional crisis unleashed among the branches of government last week shows that Bolivians are making a "tempest in a teacup."

The Supreme Court had earlier declared a government fiscal law unconstitutional, and Congress reacted by threatening to impeach the judges who approved the decision for alleged malfeasance in office. The Supreme Court then reintroduced a demand by the political opposition for the annulment of last year's elections.

The law, which is called the Direct Consumption Tax and was approved last February, increased taxes on beer sales from 45 to 60 percent.

The Taquina Brewery then submitted a request to the Supreme Court to declare the ruling unconstitutional; the Supreme Court approved the request in April [as received].

"We Bolivians give the impression that we are able to create a tempest in a teacup, a very small teacup," said Paz Zamora. He made this statement upon returning to La Paz after a one-week trip to Tokyo to attend the enthronement of Emperor Akihito.

Political sources agree that the conflict among the three branches of the government has caused one of the worst institutional crisis in the last eight years of Bolivian democracy. Paz Zamora said, however, that the political system is not at stake.

"I believe that no one will try to interrupt or interfere with this exceptional and positive moment the country is experiencing," said Paz Zamora, who called for a "spirit of unity to allow the democratic system to function in both good and bad times."

After Paz Zamora made this comment, military chiefs, bishops, businessmen, and unions called for a dialogue among the three branches of the government to bring an end to the crisis.

Armed Forces Commander General Jorge Moreira said: "I believe that this is the time when political organizations should put aside their sectorial and party interests to hold a sensible dialogue."

Episcopal Conference Secretary Mauricio Bacardit called on all parties involved to discard their attitudes and seek a solution to the conflict "in the name of God and the people who are quietly putting up with the crisis."

The Confederation of Private Businessmen warned that the sectarianism and stubbornness of the political parties are leading to "a loss of legitimacy" for the three branches of the government. "We call on all the leaders of political parties to put down their interests and to urgently hold a sincere dialogue," said the businessmen in full-page announcements published in the national press.

The Bolivian Labor Federation also demanded a dialogue among representatives of the three branches of the government, which were accused of being "irresponsible" for "ridiculing the Constitution and not respecting the people."

Paz Zamora said, however, that "the real national dialogue" is the one held in accordance with the law and the Constitution. This seemed to close the door to a negotiated solution. Paz Zamora added: "Everything is regulated by our laws; the problem is in complying with them."

Impeachment Seen as Nonnegotiable

PY1711141690 La Paz Radio Fides in Spanish 1100 GMT 17 Nov 90

[Text] Deputy Hugo Carvajal Donoso of the Movement of the Revolutionary Left has reported that the Patriotic Agreement, which is led by President Jaime Paz Zamora, has decided not to engage in any type of negotiation and to expedite impeachment proceedings against the eight justices of the Supreme Court for violating the laws and undermining the country's financial policy.

[Begin Carvajal recording] It has been clearly agreed among members of the Patriotic Agreement congressional bloc that the impeachment proceedings against the eight justices must continue. To this end, beginning on 19 November, our bloc will continue to follow the steps established in the law of 18 November 1890. Additionally, we have drafted and disseminated a report that we hope will be discussed and approved by an absolute majority of the Chamber of Deputies. As soon as this is done, the eight justices will be prohibited from leaving the country, their assets will be impounded, and they will be suspended from exercising their functions. We believe that neither dialogue nor a concerted action can overpower or overrule the political leadership and the laws.

Thus, we have stated that we are willing to hold talks, but we will never negotiate on the crime of violating the laws that has been committed by the eight justices of the Supreme Court. [end recording]

Chief Justice Views Impeachment as 'Aggression'

PY1711181490 La Paz Radio Fides in Spanish 1100 GMT 17 Nov 90

[Report by Sixto Valdez from Radio Loyola in Sucre]

[Text] An act of aggression similar to those that have been commonplace during de facto governments throughout our dramatic history is again threatening the judicial branch. Today, however, we are experiencing an unprecedented situation because the aggressor is a constitutional government, Chief Justice Edgar Oblitas Fernandez said in an address to the nation that he delivered from his office.

Surrounded by several judges and in the presence of about 30 journalists, Oblitas spoke for 15 minutes about the risks facing the current political system as a result of the lust for power exhibited by the Patriotic Agreement.

[Begin Oblitas recording] I want to report to the Bolivian people that not even in the worst dictatorships have we experienced the acts of aberration that are now being committed. The objective of these actions can no longer be concealed. The so-called Patriotic Agreement is seeking to control the three branches of government.

I want to report to the nation that to fulfill its nefarious goals, the Patriotic Agreement is violating the laws in the impeachment proceedings against the Supreme Court justices. The list of charges formulated by the Patriotic Agreement is being studied with incredible speed. In less than three days, the list of charges was submitted to the Chamber of Deputies; sent to the Committee for Constitutional, Justice, and Judicial Supervision; and returned to the Chamber of Deputies for further consideration without observing the inalienable right to defense guaranteed under Article 16 of the Constitution, which states that no one can be sentenced without due process. [end recording]

Oblitas also discussed the behavior of pro-government congressmen, who in recent days have lost their sense of lawfulness, fairness, propriety, and prudence. The proposed revolution in behavior should no longer be mere rhetoric or a publicity slogan if we want to eradicate hastiness in the administration and the corruption of the politicians who bring dishonor upon themselves by engaging in immoral activities aimed at favoring their relatives and at obtaining illegal benefits.

Commenting on the legal foundations of the [words indistinct] rulings, Oblitas stated that if someone is to blame and to be held responsible for the damage to the

state, it should be the internal revenue officials, the Finance Ministry officials, or the legislators who made the blunder of approving a clearly unconstitutional law. These are the people who should be standing trial now, he said.

Oblitas conveyed his gratitude to popular organizations, democratic institutions, mass media organizations, and other sectors. He warned that this unheard of act of aggression by the Patriotic Agreement could become reality in the next few days. He said that if the Supreme Court justices are impeached, it will be because they have defended the Constitution.

Minister Explains Position on Drug Trafficking

PY1711200590 La Paz EL DIARIO in Spanish 9 Nov 90 p 3

[Excerpts] Bolivia has a very clear position on Armed Forces participation in the fight against drug trafficking that is in accordance with the agreement signed in Cartagena and with Annex III, which was signed with the United States.

The Bolivian Government bases its position on what is contained in the Cartagena Agreement and Annex III itself. The basic contents of that position are very clear: The fight against drug trafficking is clearly a police commitment. If the police are overrun, then the participation of the Armed Forces will be indispensable. This participation will occur when it is deemed necessary and at an appropriate time to be decided by the Armed Forces captain general, said Gustavo Fernandez, minister of the Presidency.

Thus, the main government spokesman answered the remarks of a high-ranking official of the U.S. Embassy in Bolivia, who maintained that his government "will not wait years" for a government decision on Armed Forces participation in the fight against drug trafficking.

Although the minister stated that an answer must be given by the Foreign Ministry, he made it clear that the government is basing its procedures on those documents. The first document was signed in the presence of the presidents of the three coca-producing countries and the president of the United States. [passage omitted]

Minister Fernandez also stated that the president, in his role as Armed Forces captain general, has the constitutional power to decide whether the Armed Forces will participate in the fight against drug trafficking. [passage omitted]

Gang Forging Counterfeit U.S. Visas Dismantled

PY1911025790 La Paz Television Boliviana Network in Spanish 0030 GMT 13 Nov 90

[Text] The Immigration Office has dismantled a gang that made counterfeit visas. Immigration Under Secretary Jose Luis Paredes has said that the (Balentour) Agency is behind a large gang that made counterfeit U.S. visas. According to Paredes, the agency charged between $1,000 and $4,000 for each false visa.

[Begin Paredes recording] The gang worked with the (Balentour) tourist agency in Cochabamba, which is owed by Jaime Rojas. The agency also has offices in Santa Cruz. We caught Ademar Osvaldo Rodriguez carrying one of the forged visas. We also received a report that similar visas were granted to Carlos Mercado, Lola Vidal, Cecilia Fernandez, Juana Patino, and Virginia Torrico. These people paid between $1,000 and $1,500 for their visas. We will transfer all the information to the attorney general's office. We are also sending a report to the Tourist Institute asking that the agency be temporarily closed for the duration of the trial. [end recording]

IMF Disburses $32.5 Million for Program

PY1711021290 La Paz EL DIARIO in Spanish 8 Nov 90 p 5

[Excerpt] Within the past few hours the IMF has disbursed $32.5 million under the Expanded Financial Adjustment Program [Programa de Ajuste Financiero Ampliado]. These funds will be used to support the country's balance of payments, thereby increasing reserve levels at the Bolivian Central Bank.

This announcement was made by Central Bank President Raul Boada, who reported that the IMF is complying with the commitments it made after our government signed the latest letter of intent.

Boada noted that this disbursement is taking place after a report on the performance of the Bolivian economy, which was presented to the IMF Executive Board in mid-October, was approved. [passage omitted]

Spanish Police Deliver Communications Gear

PY1911023690 Madrid EFE in Spanish 0755 GMT 13 Nov 90

[Text] Santa Cruz, Bolivia, 13 Nov (EFE)—It was officially reported today that Spain has put together a police communications network between all of Bolivia's cities in a program that could possibly be extended to drug-trafficking areas.

Jose Maria Rodriguez Colorado, director general of the Spanish National Police, told EFE that "we have joined the cities of Bolivia via radio, because there had previously been no communications between them." The high-ranking Spanish official is heading an official mission of the Madrid Government that arrived in Bolivia on 8 November to coordinate bilateral cooperation programs with local authorities.

According to Rodriguez Colorado, all police vehicles in Bolivian cities have been equipped with Spanish communications equipment, which are linked in a network reinforced by the installation of antennas and repeaters.

The bilateral program in the police sector also includes the pending arrival of 25 patrol cars and 12 all-terrain vehicles for the rural police forces and the provision of kits for making chemical analyses and taking fingerprints.

The communications network has not reached the police in the central Chapare region, where 80 percent of the coca—the raw material from which cocaine is produced—is grown and where the majority of the clandestine drug laboratories are to be found.

Rodriguez Colorado stated that the police charged with fighting the production and trafficking of drugs in Bolivia are "making a very impressive effort."

Brazil

President Returns, Meets Economic Team

PY1511180090 Rio de Janeiro Rede Globo Television in Portuguese 1500 GMT 15 Nov 90

[Text] President Fernando Collor de Mello today met with the economic team in Brasilia. The president returned from Japan this morning and went directly to the Planalto Palace.

President Collor arrived at Brasilia Air Base at 0945 [1145 GMT] this morning. Foreign Minister Francisco Rezek was the first minister to greet him. Collor was also feted by a group of Japanese citizens. He then immediately boarded the helicopter that took him directly to the Planalto Palace where Justice Minister Jarbas Passarinho and Consultant General of the Republic Celio Silva were waiting for him for the regular morning meeting.

This meeting is a daily routine. The subject discussed, however, was not routine. The justice minister briefed the president about a suit filed against businessman Antonio Ermirio de Morais who said that there are thieves within the government.

President Collor was also told that FIESP [Sao Paulo State Federation of Industries] and CUT [United Federation of Workers] are jointly negotiating the salary issue independently of the government.

The president was also told that the Chamber of Deputies has rejected his veto on the law on costs and benefits of the National Institute of Social Security.

Later the president received Economy Minister Zelia Cardoso de Mello. They spoke at length on the foreign debt and the payment of overdue interests, a subject that pleases the creditors but displeases the Senate.

According to President Collor's speech in Japan to the Association of Japanese businessmen, Brazil is more flexible regarding the payment of overdue interests; however, the Brazilian answer to creditor banks will be released only after the meeting held today here at Planalto Palace.

Four Mendes Company Workers Return From Iraq

PY1711160690 Rio de Janeiro Rede Globo Television in Portuguese 1500 GMT 17 Nov 90

[Text] Four Brazilians who were in Iraq arrived in Brazil this morning. They are Mendes Junior Company employees who were working on an irrigation project.

Joao Souza, Jessin dos Santos, Francisco Lima, and Odilon Queiroz arrived at the Rio international airport at 0700 this morning. The four men are mechanics for the Mendes Junior Company. They said the atmosphere in the company camp is calm. They added that seven Mendes Junior Company employees remain in the camp to carry out maintenance work. The four workers left this morning for Belo Horizonte.

Flexibility Planned for Debt Negotiation Proposal

PY1711172090 Rio de Janeiro O GLOBO in Portuguese 16 Nov 90 p 18

[Text] Brasilia—Brazil will make some points of its original foreign debt negotiation proposal more flexible, such as those dealing with the maturity period for bonds and a partial payment of overdue interest. These changes have received the political seal of approval from President Fernando Collor de Mello after a two-hour meeting with Economy Minister Zelia Cardoso de Mello and her main advisers.

Brazil's official foreign debt negotiator, Jorio Dauster, will present the modified proposal to the steering committee for the creditor banks in New York on 19 November. The changes deal with a reduction of the maturity time and with financial conditions (interest and capitalization) for the bonds that will be offered in exchange for the outstanding debt. Payment of part of the almost $9 billion in overdue interest can be accepted provided that payment is included in a comprehensive debt rescheduling agreement as a sum to be deducted from the country's ability to pay, which is measured by the public account surpluses.

The economy minister said: "There are no substantial changes in the revised Brazilian proposal."

According to Minister Cardoso de Mello, the government maintains its intention to conclude a comprehensive agreement encompassing the debt interest and principal. She said the most important point is that Brazil is very willing to continue negotiations with the private creditor banks.

"The revised Brazilian proposal is not untouchable," said foreign debt negotiator Dorio Jauster, who noted that neither the limit on partial payment of overdue interest nor the guarantee of early payment are set; these will depend on reaching an understanding.

The government will tell the banks that it objects to making a prompt payment of overdue interest and to making that payment beyond the country's ability to

pay, as the creditors would like. Even if the country finally accepts making early payments on overdue interest this year, the total will not reach the $2.5 billion that the steering committee of the creditor banks has suggested. According to Economic Policy Secretary Antonio Kandir, the bill to cap interest payments that is now in the Senate, would stand in the way of a decision in that regard. The government believes it is free to negotiate the issue of interest payments because the bill in Congress has not yet become effective.

Budget Battle for Military Expenditures Detailed

PY1711233090 Sao Paulo FOLHA DE SAO PAULO in Portuguese 12 Nov 90 p A-12

[Report by Brasilia correspondent Eumano Silva]

[Text] The Armed Forces are going through their worst financial crisis in the past 20 years. The military's portion of the Union budget has dropped since 1971, when it totaled 23 percent. This year the Armed Forces portion of the budget was 2.24 percent, almost 10 times less than 20 years ago during the administration of General Emilio Garrastazu Medici. As a result of the budget cuts, the Army has had to reduce its expansion program, and the Air Force has had to cut its order for the purchase of AMX fighters by 50 percent.

The military's financial situation began to deteriorate during the second half of President Jose Sarney's administration (1985-1990). Between 1974 and 1987, the Armed Forces' portion of the budget stood at 10 percent, but in 1988 it dropped to six percent and in 1989 to four percent. The military's portion of the 1991 budget will be the same as in 1990.

This lack of resources has forced the Armed Forces to adopt measures to cut expenditures, a decision that had never been made before. The latest measure adopted by the Army was to end compulsory military service for 42,000 soldiers one month early, leading to a savings of nearly 1.5 billion cruzeiros in food, transportation, and clothing. The Army also decided to reduce office hours on Mondays and Fridays in all military units. This means military men will have to eat breakfast and lunch at their homes on Mondays and lunch and dinner at their homes on Fridays. The Army also decided to change the food at garrisons. Some 1.4 billion cruzeiros were saved through these two measures.

The Army cuts saved 4 billion cruzeiros in expenditures, which represents nearly 10 percent of the Army budget, not including personnel services.

The big loser in the Army budget cuts is the delay of the Ground Forces 1990 [Forca Terrestre] (FT-90) project, which was launched in 1985 by former Minister Leonidas Pires Goncalves but has been practically suspended. The construction of a garrison in Ji-Parana, Rondonia State, and a logistics unit in Natal, Rio Grande do Norte State, was expected to be completed, but work on the buildings has not even started.

The project most affected for the Air Force is the AMX program to manufacture fighter aircraft with Italian enterprises. This year Brazil received just eight of the 15 planes it had ordered because of a lack of resources. The Air Force also cut expenditures by reducing training hours and support operations with the Federal Police, the IBAMA [Brazilian Institute for Environmental Affairs and Renewable Natural Resources], and the Army.

A Navy Ministry document states that the resources included in the budget being analyzed by the National Congress are enough to meet 29 percent of its domestic needs and 36.5 percent of its needs abroad. The Navy has not reported any cuts in 1990 expenditures.

Lower house Deputy Renato Vianna (PMDB) [Brazilian Democratic Movement Party] from Santa Catarina State and Deputy Paes Landin (PFL-PI) [Liberal Front Party] from Piaui State are the cosponsors who will draft the proposed amendments to the budget for the Army and the Navy. They have already decided that they will not accept any amendment proposing a reduction in money for the Armed Forces. Salatiel Carvalho, PFL deputy for Pernambuco State and a cosponsor of the Air Force budget law, has shown that he will make a different decision, saying: "It is difficult to give priority to implementing the AMX program while so many people are starving in Brazil."

To prevent their 1991 budget allocation from being even lower than this year's, the military men have contacted congressmen through congressional aides to demonstrate that Brazil's Armed Forces expenditures are small in comparison to those of other countries. The figures presented by the military men indicate that 0.3 percent of the Brazilian GDP was earmarked for the Armed Forces in 1987, while in Argentina 1.2 of the GDP was intended for the military. A comparison of expenditures for various Armed Forces in 1987 indicates that the USSR spent 7.7 percent of its GDP and the United States 6.3 percent in this area.

Secretaries Disagree Over Nuclear Program

PY1611234490 Rio de Janeiro O GLOBO in Portuguese 15 Nov 90 p 22

[Text] Brasilia—The future structure of the Brazilian nuclear program is a point of disagreement within the government. This was made patently clear on 14 November, when Secretaries Pedro Paulo Leone Ramos [of strategic affairs] and Jose Goldemberg [of science and technology] testified before the Congressional Investigative Committee that is looking into the parallel nuclear program. While Goldemberg wants modifications within the CNEN [National Commission for Nuclear Energy], such as the separation of the program's promotion and control activities, Leone Ramos defends the current structure of the CNEN, which, he says, is carrying out its task satisfactorily.

Goldemberg indicated that the CNEN cannot exercise self-control without endangering the security of the program. This is the same theory put forward by the GT-Pronen [Work Group-National Atomic Energy Program], an interministerial group created by President Collor to assess Brazilian nuclear policy. But this stance has been minimized by Leone Ramos.

The recommendations of the GT-Pronen do not have the political weight that some people want to give them. It is just one of the arguments under consideration in the preparation of the new nuclear policy.

Moreover, Goldemberg, who was presented by Collor as the evaluator of Brazil's nuclear program before the international community, stated that he is not satisfied with the current institutional mechanisms for nuclear safety.

Collor Vetoes Overseas Assignment for Nazareth

PY1911023290 Sao Paulo VEJA in Portuguese 14 Nov 90 p 43

[From the "Radar" column]

[Text] President Fernando Collor de Mello does not know what to do with physicist Rex Nazareth, former chairman of the National Commission for Nuclear Energy, CNEN. Nazareth, who knows every military secret concerning the parallel nuclear program, was invited to work for the French Government in Paris. Because Nazareth's departure would have caused a problem, the CNEN leadership asked him to join the Brazilian Embassy in Vienna as a technological attache. Nazareth's appointment, however, was vetoed by Planalto Palace. Nazareth is believed to be the father of the Brazilian atomic bomb. He has now been confined to a small CNEN desk in Rio de Janeiro, performing no duties.

World Bank Grants Loans Totalling $450 Million

PY1611160290 Madrid EFE in Spanish 2219 GMT 15 Nov 90

[Text] Washington, 15 Nov (EFE)—The World Bank reported today that it has granted two loans totalling $450 million to help Brazil finance private investment and scientific research.

The first loan, for $300 million, will be used to help the National Bank for Economic and Social Development (BNDES) fund its private sector operations and reduce its public sector risks.

The second loan, for $150 million, will fund research and training programs for the Brazilian Secretariat for Science and Technology, and help this agency carry out the reforms it has launched.

The two World Bank loans are payable in 15 years with a grace period of five years at a variable interest rate—currently 7.75 percent—depending on the cost of the loans to the institution.

Reserve Level, Trade Statistics Announced

PY1611005390 Sao Paulo FOLHA DE SAO PAULO in Portuguese 10 Nov 90 p B 10

[Summary] According to Central Bank experts, Brazil's international reserves in September totaled $8.627 billion, an increase of $38 million over the August level of $8.588 billion. Also, September's trade balance surplus totaled $771 million.

Chile

Canadian Killed by Bomb; 1 American Injured

PY1711163890 Santigo Domestic Service in Spanish 1619 GMT 17 Nov 90

[Text] Canadian citizen (Jim Thomas), 36, died at the El Salvador First Aid Station in the wake of a terrorist attack at a national stadium field. According to information that has been made available to us, a bomb was placed inside a bat, which is a piece of sports equipment that the U.S. and Canadian people were using. A person who has not yet been identified left the bat for the diplomats. When the bat was used the bomb went off, injuring two Canadians and a U.S. citizen. We reiterate that because of the wounds he suffered, Canadian (Jim Thomas), 36, had to be taken to the El Salvador station, where he died. The police are now implementing an intense dragnet at the national stadium fields to ascertain whether other bombs were placed in the baseball, basketball, or soccer fields.

U.S. Embassy Officer Injured

PY1711174690 Santiago Radio Chilena in Spanish 1713 GMT 17 Nov 90

[Text] [Monitored in progress] ...Canadian citizen. The other people who were wounded in the explosion at the national stadium are being treated at the Carabineros Hospital. This has been a report for Radio Chilena from the eastern sector of Santiago.

Thanks, Pablo Vadilla. Our correspondent filed this report from El Salvador Hospital.

We reiterate that the Canadian businessman was identified as James Thomas, reportedly 36 years of age. Don Collins, chief of security at the U.S. Embassy, and Canadian Embassy official Frank Anthernaum were seriously wounded.

Journalist Sergio Brotzel, who is the Digeder [Government Sports and Entertainment Directorate] deputy director, came to the national stadium and deplored the event. He said he learned that the bomb was inside a bat, and that it was almost like an official bat so it raised no

suspicions that it might hold a bomb with 200 grams of ammonium gelignite. Several people were wounded, and this is a deplorable situation. It is unbelievable that this could have happened on a sports field, the journalist concluded.

PLO Claims Responsibility

PY1711180290 Santiago Radio Chilena in Spanish 1740 GMT 17 Nov 90

[Text] The Palestine Liberation Organization, PLO, in a call to a radio station, has claimed responsibility for today's attack at the national stadium in which a Canadian citizen died and several people were wounded. This report has been released by the ORBE news agency.

Herewith is the text of the communique:

The PLO representative in Santiago de Chile claims responsibility for the attack on the U.S. baseball team [as received] at the national stadium. During these days we are commemorating the 2d anniversary of the Palestinian (?state) in exile created by the occupation [words indistinct] in our Palestinian land. As can be seen, the report is confusing.

This is advance notice of what will happen if U.S. dictator George Bush comes to Chile, a fatherland that we love and respect.

We reiterate that according to news agency reports, the Palestinian organization, PLO, in a call to a radio station, claimed responsibility for today's criminal attack at the national stadium in which a Canadian citizen died and several people were wounded.

Representative Denies Attack

PY1711234490 Madrid EFE in English 2308 GMT 17 Nov 90

[Text] Santiago, Nov 17 (EFE)—A Canadian businessman was killed Saturday when a bomb placed inside a baseball bat exploded as he picked the bat up during a friendly game in the Chilean capital, police said.

Two U.S. diplomats, a Canadian diplomat and another person were injured in the blast at the National Stadium in Santiago during a friendly baseball game between the Chilean-North American Chamber of Commerce and a team from the University of Chile.

Police said the explosion was detonated by remote control as 36-year-old businessman James Thomas Runbiense picked up the bat and walked towards the diamond. Runbiense was rushed to hospital but died soon after. He had arrived in Chile just two weeks ago on a business trip.

One of the U.S. diplomats, embassy security official Thomas Collins, 28, was seriously injured, the Interior Ministry said.

The bomb contained some 300 grams of explosive packed in shrapnel.

No group has claimed responsibility for the attack. [as received]

The head of the Palestine Liberation Organization's delegation in Chile, Mahmud Darwish strongly denied a press report attributing the attack to the PLO.

Deputy Interior Minister Belisario Velasco said the government has ordered the Carabineros paramilitary police and the civilian police to investigate the crime.

The National Stadium has a capacity of 80,000 but there were very few people in the stadium at the time of the explosion.

Security Officer Undergoes Surgery

PY1711184090 Santiago Radio Chilena Network in Spanish 1804 GMT 17 Nov 90

[Text] According to news agency reports, the Palestinian Liberation Organization, PLO, has claimed responsibility for an attack against U.S. diplomats and representatives of the U.S. Chamber of Commerce. The news agency ORBE reported that in a concise communique released to a radio station, the organization said the attack is an advance notice of what will happen if U.S. President George Bush comes to Chile.

The explosion killed Canadian James Thomas (Runbiense) and seriously wounded a U.S. security officer. Another Canadian, who was also seriously wounded, was admitted to the Carabineros Hospital.

We will now listen to Jorge Moraga, who will file a report from the Radio Chilena mobile unit at the Carabineros Hospital.

[Begin Moraga relay] Here at the Carabineros Hospital, U.S. embassy security officer (Thomas Collins), 30, is undergoing urgent surgery. According to a medical report released a few minutes ago by Dr. Jorge Baltra, who is in charge of the shift, (Collins) suffered a parietal concussion to the right side of his head, a bruise, and eye injuries from shrapnel. He is in serious condition, but his life is not in danger.

U.S. citizen (Jeffrey Pickanner) was also admitted to the hospital, but he was sent home because he had slight injuries to both thighs. [end relay]

Government Condemns Actions

PY1811004290 Madrid EFE in Spanish 2358 GMT 17 Nov 90

[Text] Santiago, 17 Nov (EFE)—On behalf of the Chilean Government, Interior Ministry Under Secretary Belisario Velasco today condemned and deplored the terrorist attack in which a Canadian businessman was killed and four people, including two U.S. diplomats serving at the U.S. Embassy in Santiago, were injured.

Under Secretary Velasco announced that the government has ordered the Carabineros and Civilian Police to quickly investigate and clarify what happened at a baseball game on one of the fields at the National Stadium of Santiago.

The attack took place when 300 grams of plastic explosives and steel shards hidden inside a baseball bat exploded, killing Canadian James Thomas Runbiense, an exporter of fish products.

U.S. Embassy security official Thomas Collins, 28, was seriously wounded and taken to the Carabineros Hospital. Another American, Jeffrey Tikkanr [as received], suffered minor injuries.

Belisario Velasco reported that Jim Thomas and Francisco Joseph of the Canadian Embassy in Santiago were also wounded [sentence as received].

Velasco said that the explosive device used by the terrorists was complicated to make and activate.

Mahmoud Darwish, a spokesman for the PLO, categorically denied a media report that a PLO group in Chile was responsible for the attack.

U.S. Ambassador Charles Gillespie visited the injured and said that he "regrets and repudiates this act of violence, which caused the loss of a human life and seriously wounded innocent people."

U.S. Court Decision on Letelier Case Applauded

PY1711030090 Madrid EFE in Spanish 0304 GMT 16 Nov 90

[Text] Santiago, 15 Nov (EFE)—A U.S. court decision sentencing Cuban Jose Dionisio Suarez to 12 years in prison because of his involvement in the murder of former Chilean Foreign Minister Orlando Letelier was received with satisfaction by the Chilean Government and by Letelier's family.

Under Secretary of Foreign Relations Edmundo Vargas said: "Justice is sometimes late in coming. The Letelier murder was a crime that affected everyone."

Socialist Deputy Juan Pablo Letelier, Letelier's oldest son, said: "This confirms the responsibility of the military regime's secret police for state terrorism at the international level."

After 12 years on the run, Suarez was arrested in Florida in April. His trial began in September in a Washington court.

Orlando Letelier, who opposed the military regime of General Augusto Pinochet, was murdered on 21 September 1976 in Washington along with his U.S. secretary, Ronnie Moffit, when a bomb exploded in Letelier's car.

Agents from the dissolved National Intelligence Center (Dina), the secret police of the military regime of General Pinochet, and anti-Castro Cubans were involved in the crime.

Vargas added: "After Congress approves the Cumplido Laws, an investigation into this case will be carried out in Chile.

The so-called Cumplido Laws were submitted to the National Congress by Justice Minister Francisco Cumplido in an effort to reduce the jurisdiction of the military courts. This will allow the investigation into the Letelier murder case—which has been under the military court for 12 years without any sentence being issued—to be conducted by a civilian court.

Vargas added: "There are still three refugees from justice: Cuban Virgilio Paz and two Chilean officers, Manuel Contreras Sepulveda and Pedro Espinoza Bravo. I hope Chilean justice will be able to bring these people to court in our country and not have to wait for them to be taken to a U.S. court." General Manuel Contreras, retired, was Dina's director from 1974 to 1977, and Colonel Pedro Espinoza was Dina's chief of operations.

Escaped Political Prisoner Dies in Clash

PY1611123490 Santiago Domestic Service in Spanish 1000 GMT 16 Nov 90

[Excerpt] Criminal Marco Ariel Antonioletti Antonioletti has died of a bullet wound in his forehead. He was caught in house H on Nueva Cinco Street, where he was sleeping. The criminal, who had turned the house into a shelter, clashed with Investigations Police and wounded three policemen who have been admitted to the Carabineros Hospital.

Antonioletti died while being taken to the Third First Aid Station. The judge for the Criminal Court's Fifth Chamber reported to the first aid station and to the house, which is apparently owned by a couple who have been arrested.

It has been reported that Antonioletti entrenched himself at one of the windows of the house and fired a .38-caliber revolver. There was a Fiat 600 car parked inside the house. The car, which apparently had been there for a long time, bears license plate number GZ1407.

During the clash, Antonioletti was wounded in the head. The criminal died before arriving at the Third First Aid Station. The corresponding investigations are under way. [passage omitted]

Further Reportage on Dead Terrorist

PY1711134090 Santiago Domestic Service in Spanish 1000 GMT 17 Nov 90

[Excerpts] The case of Lautaro group terrorist Marco Ariel Antonioletti Antonioletti, 22, was clarified and

abruptly solved in only 24 hours. The terrorist, who was killed by a bullet in his forehead, had escaped in a bloody operation in which three gendarmerie members and one Carabinero died. A fourth gendarmerie member who was seriously wounded in the action died this morning. [passage omitted]

In a note released to the media, the MAPU [United Popular Action Movement] Political Commission said a squad of the popular and rebel Lautaro forces rescued Antonioletti. The note added that the action, in which four gendarmerie members and one Carabinero died, was taken because the organization believes the government does not have the capacity or political determination to release the political prisoners and preserve the justice that the country demands.

Concerning the attack on the Sotero del Rio hospital on 14 November, the communique said that during the operation, the gendarmerie personnel holding Antonioletti did not obey our orders and began to fight.

The communique said that early on 16 November, Investigations Police surrounded and attacked the house where Ariel was staying, adding that since he was determined to exercise his right to live and be free, he fought and died.

The Lautaro communique did not mention the participation of a woman in the terrorist attack.

Air Force Official on Joint U.S. Maneuvers

PY1911024590 Santiago EL MERCURIO in Spanish 6 Nov 90 p C 2

[Text] Commenting yesterday on the performance of Chilean Air Force [FACh] pilots in joint combat exercises with the U.S. aircraft carrier "Abraham Lincoln" in southern Chile, General Fernando Matthei, Air Force commander in chief, said: "We are really doing a good job. We are very professional and can stand comparison with the best pilots."

Mirage-50 fighters, the FACh's most modern aircraft, participated in the exercise. These aircraft are assigned to the 4th Air Brigade, which is headquartered in Punta Arenas.

Matthei said: "I believe that all of us have learned a lot, which is the reason we do these maneuvers. Both the Chilean and U.S. pilots voiced their satisfaction and agreement."

He said that the joint maneuvers will continue on 7 and 8 November in northern Chile. The "Abraham Lincoln" is carrying aircraft that will participate in a simulated attack on Air Force bases in the region. It sailed from the port of Valparaiso on the morning of 5 November." [quotation marks as published]

Matthei noted that the maneuvers include air intercepts and air combat, the results of which will be further analyzed.

"We are very happy with the level of our pilots. We can see the progress we have made, and we can say that we are among the best," Matthei concluded.

Colombia

Telecommunications Normalized in Wake of Strike

PA1711190490 Bogota Radio Cadena Nacional in Spanish 1215 GMT 17 Nov 90

[Text] The workers of the National Enterprise for Telecommunications [Telecom] have suspended their informative meetings throughout the country and have therefore normalized the activities in all the offices of this state institution.

Telecom President Francisco Javier Navarro has stated that the enterprise will guarantee telecommunication services during the 9 December elections. He added that any workers who participate in the obstruction of telecommunication services will face either temporary suspension or final dismissal. The official said he will act firmly to deal with conflicts in the telecommunications sector and will not tolerate any further suspensions of services like those that took place in recent days.

Councilman Killed, Deputy Wounded in Antioquia

PA1911025790 Madrid EFE in Spanish 0129 GMT 19 Nov 90

[Text] Medellin, Colombia, 18 Nov (EFE)—The police have reported that unidentified individuals killed Colombian town councilman Jesus Maria Velasquez Chaux and wounded deputy Elkin Garcia Castrillon in Turbo, Antioquia department, in the country's northwest.

Police sources reported that two unidentified persons opened fire on Velasquez, 52, while he was at the door to his home in Turbo, in the agricultural region of Uraba, more than 100 km northwest from Medellin, capital city of Antioquia.

Garcia, 46, a Liberal Party member and a member of the House of Representatives for Antioquia department, was slightly wounded in one arm and is out of danger.

The departmental police said that Velasquez and Garcia had just returned from a political meeting and added that the perpetrators and the motive of the crime are unknown.

Garcia is one of the candidates to the assembly that will reform the Constitution in 1991. The members of this assembly will be elected by the people on 9 December.

EPL Commander Confirms Dialogue To Continue

PA1911035190 Bogota Inravision Television Cadena 2 in Spanish 0100 GMT 19 Nov 90

[Report by Jorge Alfredo Vargas]

[Text] Contacts between the government and the EPL [Popular Liberation Army] will continue in the near future; this contradicted several news reports about an imminent disruption of the talks. Cripton Newscast spoke on the telephone with EPL Commander Bernardo Gutierrez, who denied the reports and said that the EPL's final decision will be made on 3 December.

According to the reports, the dialogue was reportedly suspended because no agreement was reached during the Friday 16 November meeting between the government and the EPL on the demobilization issue; demobilization has been proposed as a condition to participation in the constituent assembly.

The EPL says it will only turn over its weapons to the assembly once the assembly has been comprised, whereas the government demands that the group disarm itself before participating in the assembly. Cripton Newscast spoke over the telephone with Bernardo Gutierrez in Labores, Antioquia Department. The EPL leader said that the process had not been interrupted, adding that the talks would continue so that an agreement can be reached on 3 December.

[Begin Gutierrez recording] The talks between the government and us have not been suspended; I do not yet know who reported that. On the contrary, an important task will be entrusted to five commissions to be comprised of the government and us, and a meeting will be held on 3 December. [end recording]

Nevertheless, Government Minister Julio Cesar Sanchez and Peace Adviser Jesus Antonio Bejarano will meet with President Cesar Gaviria tomorrow to study the situation and reach an agreement with the guerrilla group.

M-19's Navarro Discusses Assassination Plot

PA1711041990 Bogota Inravision Television Cadena 2 in Spanish 0000 GMT 17 Nov 90

[Text] M-19 [19 April Movement] leader Antonio Navarro Wolff today told President Cesar Gaviria that there is a plot to assassinate him [Navorro] and a member of his movement. Amparo Ponton filed this report:

[Begin recording] [Ponton] Former Health Minister Antonio Navarro Wolff revealed details of the plot after meeting with President Gaviria.

[Navarro] There are certain civilians, presumably friends of former Minister Miguel Vega Uribe, who, for reasons that we cannot quite figure out, have an ongoing plot to kill me, or if that is not possible, kill an M-19 member, because they believe that we are a communist group, and thus dangerous for this country. They are civilians that we know... [Navarro changes thought] We do not know whether they are acting with the knowledge of former Minister Vega.

[Ponton] During Navarro Wolff's meeting with President Gaviria, the former health minister voiced the need to find ways to lower the tone of the ongoing electoral debate. Navarro said that an example of the extreme polarization of political groups was the debate that took place days ago at the Senate on the Palace of Justice occupation:

[Navarro] There were political motives during that debate; the aim was to in one way or another lower our ratings in the polls. Basically, electoral purposes existed.

[Ponton] As for the space that LA PRENSA today offered to Navarro to defend himself from the charges, the M-19 leader said that he will accept it as long as the management of the capital city newspaper promises to respect the text of the article that he himself will write. [end recording]

Ecuador

Indians Suspend Talks With Government

PA1711000390 Paris AFP in Spanish 0158 GMT 13 Nov 90

[Text] Quito, 12 Nov (AFP)—Luis Macas, president of the Confederation of Indian Nationalities of Ecuador (Conaie), said on 12 November that the dialogue between the Indians and the Ecuadoran Government will not continue because of the violent intervention of authorities at two occupied farms, which left 33 people wounded and seven arrested.

Macas denounced the fact that the Indians, who occupied the farms San Francisco de Cajas and Guaycopungo some time ago, were violently expelled this past weekend. These farms, located 10 km north of Quito near the town of Otavalo, had been expropriated by the Indians some time ago.

According to Macas, police agents and paramilitary gangs that werre organized by the landowners took part in the operation. Four Indian leaders, two from the Otavalo area and two national leaders, went into hiding after the authorities ordered their arrest.

Macas feels that, with this attitude, the government has broken off the dialogue that began after last June's uprising. Given this situation, the Ecuadoran Indians are preparing to stage joint protests with other grass-roots organizations from the cities and the countryside.

A government spokesperson denied the existence of land problems, adding that there were five people wounded in the eviction. Meanwhile, Luis Luna, director of the Agrarian Reform and Settlement Institute, said that the police operation prevented a clash between the Indians from the aforementioned farms and the residents of the town of San Pablo de los Lagos.

Peru

Fujimori Warns Public Workers, Defends Paper

PY1611132490 Lima Domestic Service in Spanish 1200 GMT 15 Nov 90

[Excerpts] A special ceremony was held to mark the 150th anniversary of the national high school Nuestra Senora de Guadalupe. The ceremony was attended by President of the Republic Alberto Fujimori, ministers of state, congressmen, and officers and cadets of the armed institutions and the national police, as well as by student delegations. [passage omitted]

Regarding the strikes in some public administration sectors and state-run enterprises, the president warned those workers, saying: There will be no pay for days that are not worked.

Moving on, the president answered the criticism that the relaunching of the official gazette EL PERUANO has received.

[Begin Fujimori recording] Therefore, my government will not yield to the traditional pressures of the [trade union] leaderships, which are involved in politics. I say here that there will be no pay for days that are not worked. If other governments did it, and thus established a negative precedent, we will not follow that path.

I now want to discuss a paradox in Peruvian life. What happens when the state becomes efficient? All of us have seen the new EL PERUANO. We all know—looking at the end product—that previously the enterprise Editora Peru did not comply with one of its duties—that is, to place itself at the service of education and culture.

What happens when the state engages in serious journalism? What happens when idle resouces such as the under-utilized machinery of this enterprise are used? The workers believe that there will be dismissals. Some journalists, who do not want changes, join the resistance and a necessary (?tool) is sabotaged.

It is very curious, however, that other journalism enterprises begin to feel an impact from this involuntary competition—involuntary because EL PERUANO did not have and does not have any plans to compete with other newspapers. As a matter of fact, in relation to news events, it usually appears late.

The new EL PERUANO, however, has become a dynamic newspaper with pages that include opinions, pages that cannot necessarily be the best in our country, but with cultural pages that are very well done.

If the businessmen who are criticizing EL PERUANO believed, as they have always claimed, in competition, they would improve their newspapers to beat EL PERUANO. But this is not so. They want EL PERUANO to publish only laws. EL PERUANO has always done that. It only happens that now EL PERUANO provides more material to its readers. This is not bad; it is good. [end recording]

Toward the end of his speech, Alberto Fujimori said that his government will uphold and create respect for the legally established principle of authority. Therefore, he asked the bureaucrats to start working for the good of the country.

[Begin Fujimori recording] I must say that my government will not surrender. It will continue establishing legal authority and, as a rule, it will also establish consistency in government actions.

In a country with a feudal trend, it seems that the state is also imbued with this feudal mentality. It happens that each sector chief must follow government policy guidelines, as it is only logical. This is not always the case, however, and small governments within the government arise. We do not know what lies behind this autonomy.

Not long ago I heard that the IPEN [Peruvian Institute of Nuclear Energy] will be privatized. This is totally false. This must stop and, along with it, of course, the inefficiency, unreasonableness, and incompetence prevailing everywhere in public administration.

While there are so many necessities and misery, we will no longer tolerate the existence of enterprises and government departments whose existence is not justified. On the other hand, the existence of 45,000 workers where there should only be 15,000 does not make any sense. Was the person who handled this institution unaware of this fact? Of course this person was aware of this fact! But this person did not mind hiring more people from his party or his family. After all, wages are not paid from his pocket, but from the treasury, which this person believes to be a huge milking cow with inexhaustible udders.

As government, we have nothing to hide, and just as we have stopped oligopolies and antinational interests, we will also stop the parasitic bureaucracy. On this point, we know that today, more than ever, the entire country and the honest public employees—that is, those who correctly joined the public administration and who actually work—are supporting us. [end recording]

Some Public Workers Join Strike

PA1611223590 Lima Television Peruana in Spanish 1232 GMT 16 Nov 90

[Text] CITE [Intersectorial Confederation of Public Workers] strikers have staged disturbances in Lima. The police had to intervene to preserve public order on the first day of the strike. A small number of employees affiliated to CITE decided to join the strike today.

At the Health Ministry, every employee was seen working. A Health Ministry labor leader reported that a large number of workers had joined the strike and that the stoppage was growing. What this station's reporters

saw at the offices, however, contradicts what the economy secretary said. [as heard]

At the Labor Ministry, activities have been reduced. A small number of workers met and cheered the strike, which, according to [acronym indistinct] secretary general, will continue indefinitely.

At the National Institute of Statistics and Computing, the workers met outside the offices; while they planned their actions, the police arrested two of their leaders. The assistant secretary [not further identified] said that only between 30 and 40 percent of the workers had joined the strike.

Social Security Workers Defy Strike Ultimatum

PA1711034790 Lima Television Peruana in Spanish 1100 GMT 16 Nov 90

[Text] Social security workers persist in continuing their strike in open defiance of the ultimatum given to return to work. Social Security President Luis Castaneda Alosio said the strike is politically motivated, and retirees and pensioners will be paid on 17 November, regardless.

The social security workers continue their protests and demand higher wages. This morning the workers met at the Rebagliati Hospital and regrouped afterward around the Peruvian Social Security Institute presidency.

The workers have not heeded the 72-hour ultimatum to return to work, and we have noticed that various hospitals and clinics have closed their doors. The insured struggle for attention and impatiently wait for the problem to be resolved.

[Begin recording] [Reporter] The Social Security workers' strike has just been declared illegal. What is their reaction?

[Castaneda] It is still too early to say, but I believe many employees will turn up for work because they appreciate the efforts we are making to overcome the serious crisis we have found in the organization. It is now clear that behind this strike there was plenty of political maneuvering that had nothing to do with the workers' interests. I have talked to several workers, and they have reacted maturely because they realize that in the 69 days I have held the post, it is impossible to improve such a huge institution.

[Reporter] According to information provided by the (CUT) [Workers' Central Union] leadership, 114 provincial hospitals have been turned over to them. What steps will be taken?

[Castaneda] We will try and reestablish quality service. In fact, we are going to try and improve the service because it is widely known that the Peruvian Social Security Institute has not been giving service. Little by little, we will try and regulate this situation, which regrettably has not met with the understanding of some workers—I understand they are a minority. Even fewer workers are really aware of the serious situation, however, and this requires solidarity. I happen to believe that if there are not enough resources to purchase medicines and pay pensions, it is not fair to try an make an institution collapse unless, of course, there is a deliberate intention for it to continue to be totally disorganized.

I want to stress something important: Despite the strike, retirees will receive their checks on 17 November. The total averages 24 million intis. [end recording]

CITE Continues Partial Strike

PY1711145490 Lima Domestic Service in Spanish 1200 GMT 17 Nov 90

[Text] The strike by the Intersectorial Confederation of Public Employees, CITE, is in its second day; however, a smaller number of employees are participating in it. Our reporters, who toured a wide area, confirmed that ministries and public institutions like the National Statistics Institute and (?INADE) [National Development Institute] are partially operating. The National Planning Institute, the National Public Registry Office, and state bank branches are operating almost normally. CITE leaders have said that this weekend they will meet with leaders of rural areas to decide whether to continue with the partial strike or adopt more radical measures.

Decree Regulating Strikes Approved

PY1711144090 Lima Domestic Service in Spanish 1200 GMT 17 Nov 90

[Text] The Council of Ministers has approved a supreme decree regulating strikes in strategic sectors to preserve the security, health, and life of the population.

[Begin recording] [President Fujimori] This morning the Council of Ministers approved a supreme decree establishing some rules on the exercise of the right to strike.

The main point is that the decree sets forth that essential services are those that can, if discontinued, jeopardize the life, freedom, security, or health of the population. The decree establishes that minimum services must be rendered in these sectors to avoid such risks.

The following services are considered essential: health and hospital services, medical assistance, cleaning and sanitary services, water, electric power, gas and fuel production and distribution, public transportation, communications, telecommunications, and some other sectors that can be declared essential by the appropriate ministry.

In these sectors, the enterprises and agencies whose work affects the private or public sector will provide their workers and the administrative labor authority or the National Public Administration Institute, INAP, as applicable, information about the number of workers necessary to maintain services, schedules, shifts, and replacement schedules.

This information will be delivered to the workers or to their labor union so that when there is a strike, they can provide a list of workers who will maintain these services to avoid harming the population.

[Unidentified reporter] Mr. President, in connection with the economic stabilization program, [passage indistinct]?

[Fujimori] The indexes are quite obvious. In the first 17 days of November, the inflation rate stood at 2.7 percent.

[Reporter] Mr. President, what do you think of the remarks by leaders of the CITE [Intersectorial Confederation of Public Employees] [passage indistinct]?

[Fujimori] Well, I was speaking about the politicized leaders who instead of defending the workers interests, have permanently stirred the political sector. I was not speaking about idle bureaucrats in general, and this was clear. This government fully respects the right to strike. We will not, however, tolerate indiscipline, disorder, and chaos. It is time for the government to put an end to all of these abuses. We deplore the fact that we cannot improve salaries now, but we are doing this because of the responsibility we have assumed for improving the country's economic situation. [end recording]

More on Antistrike Measures

PY1811023090 Madrid EFE in English 0139 GMT 18 Nov 90

[Text] Lima Nov 17 (EFE)—The Peruvian government Saturday [17 November] announced tough anti-strike measures aimed at putting an end to "the disorder and chaos" caused by a new outbreak of labor unrest in the public sector.

The law gives management authority to fire and take other sanctions against striking workers in "strategic" sectors such as public transportation, hospitals, telecommunications, food and water suppliers, and in the gas, electricity and fuel industries.

But labor chiefs said Saturday the right to strike was inalienable and unlimited, while the leader of some 600,000 state workers who walked off the job indefinitely Thursday said he was unswayed.

Last weekend, some 5,000 social service workers joined 42,000 of their colleagues who 10 days ago began an indefinite strike which has left hospitals with only emergency services.

By adopting the measures three days after freezing wages until 1991, President Alberto Fujimori has taken a step repeatedly shunned by predecessors Fernando Belaunde Terry and Alan Garcia.

Parliament had pigeon-holed a law limiting the right to strike for more than seven years to avoid conflict with workers.

The government estimates that Peru lost more than two million working hours due to labor disputes last year.

Fujimori introduced an economic austerity program in early August which aims to make savings by cutting back on government spending.

In the just over three months since Fujimori took office, inflation and minimum wage, which 80 per cent of state workers earn, have grown at nearly the same rate of around 525 per cent.

But buying power is at the same level as in July, less than half of what it was in December 1987.

Labor Leaders Vow To Continue

PY1911014190 Madrid EFE in English 2334 GMT 18 Nov 90

[Text] Lima, Nov 18 (EFE)—Peruvian labor leaders vowed Sunday [18 November] to continue a nationwide stoppage in defiance of the government's tough, new anti-strike measures.

The secretary general of the 600,000-strong Union of Public Sector Workers, (CITE) Luis Iparraguirre, said his members would continue with their walkout despite Saturday's anti-strike decree which authorizes the sacking of striking workers in "strategic" sectors. Iparraguirre described the new measure as "anti-constitutional and discriminatory" and called for a parliamentary debate on their validity. CITE members Thursday joined some 100,000 other workers in the nationwide, indefinite stoppage to push for wage hikes.

The leader of the 50,000-member Peruvian Institute of Social Security (IPPS), Luis Arrestegui, also pledged that his union would continue with its strike. Arrestegui added to calls for a parliamentary debate on the new measures.

Luis Castaneda, chairman of Peru's Social Security organization, has threatened to sack IPPS members who do not return to work by Monday.

The new law authorizes management to fire and impose other sanctions on striking workers in strategic sectors such as public transportation, hospitals, telecommunications, food and water suppliers, and in the gas, electricity and fuel industries.

Some 50,000 IPPS members, including nurses and other social security employees, have been on strike since November 8, while judiciary workers walked off the job more than six weeks ago.

Striking workers have already clashed with police in the capital.

The secretary general of the Communist-backed General Confederation of Peruvian Workers, Pablo Checa, said his members would take "not one step back" in their defense of the right to strike. Checa warned that labor disputes would intensify if the government tried to infringe on that right.

Fujimori on Plans To Fight Drug Trafficking

PA1711030890 Lima Television Peruana in Spanish 0100 GMT 17 Nov 90

[Text] President Alberto Fujimori has announced that our country has begun to make contacts at the highest level with the United States and international organizations to implement an overall plan against drug cultivation and trafficking. He also proposed the creation of a front of coca leaf-producing countries to confront the problem. He added that Peru will assume its responsibility to the international community.

The head of state said that an autonomous authority for alternative development has just been created to head a new police and military scheme that will start by reestablishing law and order in coca areas. He confirmed the arrest in Iquitos of a top MRTA [Tupac Amaru Revolutionary Movement] terrorist leader who was carrying $2 million in cash to finance subversive actions.

President Fujimori made these statements during a news conference with foreign correspondents at the national palace.

[Begin recording] [Fujimori, in progress] ...is proposing the creation of a high-level civilian authority that will be tasked with implementing the policies and alternative development works and the establishment of business zones that I referred to in my 26 October message.

This new institution will be called the Autonomous Authority for Alternative Development and will have a direct link to my office. With this in mind, I have called a meeting with a considerable number of nongovernment organizations, experts, reporters, researchers, and specialists in this matter.

A new military-police scheme will be created to coordinate actions pertaining to interdiction. We hope that the design of this new scheme will be finalized by the end of next month. One of its main duties will be to restore law and order in coca zones. Corruption stemming from drug trafficking is obviously an important and priority concern for my government, and we want to combat it in the most drastic way possible.

We want to ensure that our policy will be well understood abroad to eliminate the frequent disagreements [desencuentros] between countries that produce and consume cocaine. We wish to underscore that Peru, although it is not responsible for the expansion of drug trafficking, will assume its full responsibility before the international community in the struggle against this scourge.

In this regard, we have invited Mrs. Ann Wrobleski to help us—within the context that I have referred to—take future steps and plan the first initiatives. Mrs. Ann Wrobleski, who is here on my right, has occupied posts dealing with the struggle against drugs for several years, including the post of assistant secretary for international narcotics matters, which is currently occupied by Mr. Levitsky.

With her cooperation, we want to adopt the necessary measures to ensure that our position will not be confused abroad and in circles concerned over the drug problem. We want it to be interpreted as a firm and responsible position on the part of Peru.

Peru enjoys very special conditions to help the international community to solve the drug trafficking problem, because, as we all know, it produces 60 percent of the world's coca leaf output. In the face of this so very special situation, my government is willing to make a maximum contribution to ensure that we will be able to erradicate this scourge with international cooperation.

This is a very special occasion because the coca farmers themselves are willing to accept the changes that the market economy might guide them to make. This is a will that we should not waste. In this regard, I believe that this is the moment to create a great front of producing and consuming countries to consolidate this struggle against drug trafficking once and for all.

[Reporter] I would like to ask whether you could confirm reports on the capture [break in reception]

Further on Fujimori's Plan

PY1711033490 Madrid EFE in Spanish 0238 GMT 17 Nov 90

[Text] Lima, 16 Nov (EFE)—Peruvian President Alberto Fujimori today presented Ann Wrobleski, former U.S. assistant secretary of state for narcotics matters and an expert on controlling drug trafficking, as his adviser on the drug problem.

Referring to Fujimori's proposal to provide access to the benefits of the legal economy for the nearly 800,000 people who depend on coca cultivation in this Andean country, Ann Wrobleski said: "I came here to serve as an adviser on the Peruvian initiative against drugs."

In introducing Ann Wrobleski to the media at Government Palace in Lima, President Fujimori announced "a new police-military scheme" for interdiction operations "with the main objective of restoring law and order in the coca zones" controlled by bands of guerrillas and drug traffickers.

The Peruvian president also announced that an autonomous civilian entity has been created under the office of the Presidency to promote the alternative development policy.

On 23 October Fujimori proposed a plan aimed at breaking peasant dependency on coca cultivation by offering an economic alternative "to the drug trafficking business in which Peru is submerged."

The Peruvian president recognized today that, to be successful, the program will require deep structural changes and will depend on credits and commercial opportunities from abroad.

Fujimori reiterated his desire to link his plan against drugs with the "Initiative for the Americas" and the "Brady Plan," with which the U.S. Government intends "to significantly improve" its economic and financial relations with Latin America.

Fujimori said he hoped his plan will be "understood abroad" and emphasized that "although Peru is not responsible for the expansion of drug trafficking," it will "firmly and responsibly" assume its "full responsibility" in fighting drug trafficking.

The Peruvian Government maintains that the problem of drug trafficking in the country is linked to the internal situation of poverty and underdevelopment and that Peru will continue to be the world's leading producer of coca leaves until the peasants who produce coca get access to foreign credits, roads, and guaranteed markets for their alternative production.

Fujimori is against strictly repressive measures to eradicate the planting of coca and recently refused to sign an antidrug military agreement with the United States which would have been worth $35.9 million over the next 12 months.

Peruvians believe that each peasant who is prevented from growing coca and is not provided with a profitable alternative product to replace his coca farm is a potential member of either the Maoist "Shining Path" or the pro-Che Guevara "Tupac Amaru Revolutionary Movement" (MRTA) guerrilla groups that are active in the jungle areas.

U.S. Ambassador to Peru Anthony Quainton denied at the time that the United States "was planning to militarize the war against drugs," but he did say that "direct action" is just as "essential" as the economic development of coca-producing areas.

Wrobleski said today that she is "very encouraged" by Fujimori's antidrug plan and added that "the president's sensitivity" toward the specific problems of drug-consuming countries "opens new doors of dialogue for Peru in developing countries."

President Fujimori Discusses Domestic Issues

PY1911003090 Lima LA REPUBLICA in Spanish 8 Nov 90 pp 11-18

["Exclusive" interview with President Alberto Fujimori by Mariella Balbi in Lima; date not given]

[Excerpts] [Balbi] Mr. President, on a scale of one to 20, how would you rate your 100 days in government?

[Fujimori] I would rather let the people rate it...

[Balbi] But you are a mathematician, you trust in numbers...

[Fujimori] And I have also been a university professor...

[Balbi] Would you rate yourself above 15, under...?

[Fujimori] I would give myself a passing grade. Why don't you pick a number?

[Balbi] I would give you a score of 13 or 14...

[Fujimori] Well now, you are saying 14, but I believe I perhaps deserve a little more. (laughs)

[Balbi] There is a sector that believes your style of governing is an authoritarian and vertical one; of course, they even compare you to an Oriental emperor. What would you tell them?

[Fujimori] They must make a physiognomic association because they see that I have Oriental eyes; this is where that characterization must come from. I actually do not know why they describe me that way.

[Balbi] And if you think about it or look into it?

[Fujimori] It must be because I try to find solutions; I totally identify myself with them and voice the solutions very clearly. Perhaps the authoritarianism they mention is linked to this, to the clear and direct way in which I express my positions.

[Balbi] President, you have had confrontations with the judicial branch, Congress, and the Church. It is believed that you like belligerence ...

[Fujimori] Look, I am not making any political calculations. If I did make them, perhaps I would avoid trouble with these small power groups or sectors. But I am interested in facing problems. Of course, this often causes obvious resistance from those who are opposed to changes. Any change produces a reaction, and it is said that this represents a confrontation. I would rather say that this involves confronting a problem, not sectors or institutions... [passage omitted]

[Balbi] Are you satisfied with the results of the economic policy?

[Fujimori] Completely. I would give myself a high score on that.

[Balbi] In your opinion, what is the reason for this small inflationary surge?

[Fujimori] There is no such inflationary surge. There has been an increase, but it does not mean that we have lost control...

[Balbi] The initiative, then?

[Fujimori] Neither. The increase in the inflation rate was caused by certain products, the result of an unforeseen increase in demand. It was premature, probably because of a certain reactivation, which was also unforeseen. The timely supply of products we are familiar with has not taken place.

[Balbi] It has taken almost a month to remove the 10-percent customs surtax on imports. Why do government decisions take so long?

[Fujimori] Why do you think this decision was made a month ago?

[Balbi] Because it was rumored earlier that it would be so...

[Fujimori] We believed that it was not the right time to remove the surtax. We were increasing foreign exchange and had achieved a good level for our reserves. We would not have been able to enjoy this reserves cushion if we had taken on import expenses. I believe it was justified.

[Balbi] What other measures will you take to control inflation? I remind you that this month's inflation rate has already reached 1.71 percent...

[Fujimori] And I remind you that the inflation rate can also be negative, offsetting the increase. At any rate, it will be less than the October rate of 9.6 percent. Concrete measures will be implemented. We will import foodstuffs that are in short supply, including certain types of meat. There are other measures such as the antitrust law...

[Balbi] When will it be issued?

[Fujimori] It requires a congressional law and could be delayed unless we get special authorization to implement it. [passage omitted]

[Balbi] If the BCR [Central Reserve Bank] stops buying dollars, the level of foreign exchange will drop. How will this problem be solved?

[Fujimori] By importing various products. This will prompt increased demand for foreign exchange, which will offset the excessive availability of foreign exchange. At that moment, the BCR will withdraw.

[Balbi] The agricultural sector will suffer from the lack of credit. Can the BCR grant more credit to the Agrarian Bank?

[Fujimori] The BCR will grant $60 million for now, but a larger amount will be required later. We do not want to abuse the BCR financing because we understand the impact. There would be increased demand, which would result in increased inflation.

[Balbi] Couldn't it be that the IMF believes that such a solution is inappropriate?

[Fujimori] No, those are old stories. We do not act on those bases.

[Balbi] As an agronomist, do you feel uncomfortable about so little assistance being given to the agricultural sector?

[Fujimori] There is $60 million being given and more assistance from associated banks.

[Balbi] According to [Economy and Finance Minister] Hurtado Miller, we are $70 million short in financing for this sector until December.

[Fujimori] But we can get the money. I do not feel uncomfortable about this problem. I am somewhat concerned, but difficulties and pressing requirements are being resolved...

[Balbi] The farmers do not think so, President. Have you talked to them?

[Fujimori] I talked to them when they did not have any financing. The situation has changed now.

[Balbi] What foodstuffs will you import? Rice, for example?

[Fujimori] We will import as necessary. We will probably import 100,000 tons of rice.

[Balbi] Will this be unfavorable for national producers?

[Fujimori] No, because we will only import that which is required to cover the deficit.

[Balbi] Will we end up importing potatoes?

[Fujimori] That is not in my policy. We will import potatoes only if they are in short supply.

[Balbi] Is there any chance of increasing the minimum wage before December?

[Fujimori] We will try instead to increase purchasing power, and this can be achieved through other mechanisms, such as inflation control. I want to be realistic. We must maintain this economic policy, the strict control over fiscal funds. We want to handle the economy seriously, and it is preferable to keep wages at a level the state is in a position to pay. We allow the private sector to conduct free negotiations on wages.

[Balbi] The minimum salary is quite low, isn't it?

[Fujimori] Yes, it is low.

[Balbi] You promised to implement the adjustment equitably. Are you reneging on your promise?

[Fujimori] Eighty-five percent of the people have no stable jobs. We are acting equitably because we are preventing 85 percent of the people from being affected by inflation. Those with jobs are certainly not earning enough, but at least they have a salary that is not being permanently devalued.

[Balbi] Senator Moreyra has claimed that the IMF is reformulating our economic program. What do you think about that?

[Fujimori] Those are baseless, trite opinions. The opposition often resorts to biased speculation. That claim is not true. Our economic policy is formulated here with the Cabinet, in no way...

[Balbi] But it is discussed with the IMF, Mr. President...

[Fujimori] The policy is not discussed, but various opinions on it are exchanged not only with the IMF but with others as well.

[Balbi] When will we know which country will head the bridge loan?

[Fujimori] This is a very difficult, delicate matter because it involves a large amount—approximately $2 billion. The bridge loan may only total $1.2 billion, but this is still a sizable amount. In any case, some friendly countries are favorably disposed. I hope we hear very soon.

[Balbi] Do you feel less optimistic about this issue now than three or four months ago?

[Fujimori] No, it is in fact a maturing process that will continue. I feel more optimistic now than I did before...

[Balbi] What do you do? Do you take antidepressants?

[Fujimori] (Smiling) I feel optimistic because there is some consensus that progress has been made in 100 days, judging from remarks by the IDB [Inter-American Development Bank] and the World Bank presidents, foreign experts, and members of the opposition. You will always find me in this kind of mood.

[Balbi] Will World Bank President Barber Conable visit Peru?

[Fujimori] I have heard a report to that effect, but there has been nothing official. I hope he does come.

[Balbi] How much do you think we will grow next year?

[Fujimori] I cannot give you figures at this time, but I know we will grow. The figures will not be negative.

[Balbi] Will our growth be between one and four percent of the GDP?

[Fujimori] I believe it will be close to five percent. The small and medium-size mining and fishing sector can contribute greatly to achieving this level of growth. We will also reactivate construction activities, which will have a favorable impact on growth.

[Balbi] The Social Emergency Program (PES) has been stumbling. Why?

[Fujimori] That is perhaps the only negative factor in the economic program during these 100 days.

[Balbi] Would you like to do some self-criticism?

[Fujimori] Of course. The time has been too short. Extreme poverty is too widespread. In any case, the measures we have adopted have not had such a great impact thanks to the cooperation of private and religious institutions.

[Balbi] It has been rumored that the Church is considering leaving the PES.

[Fujimori] I do not believe the Church will condition its participation to the birth control issue. [passage omitted]

[Balbi] Realistically speaking, when can the reprivatization of public enterprises begin?

[Fujimori] I believe the privatization of companies having no economic prospects could begin by mid-December... [passage omitted]

[Balbi] You said you are satisfied with the economic policy. Are you also satisfied with the antisubversive policy?

[Fujimori] Well, I am not satisfied, but I sincerely believe that it is impossible to reverse the serious, decade-long situation that we have inherited in just three months.

[Balbi] Is the government able to react? This month has been particularly violent.

[Fujimori] There are limitations of an economic nature and in the strategy against the violence.

[Balbi] What are the difficulties in the strategy?

[Fujimori] The difficulties mostly arise from our lack of knowledge about the enemy...

[Balbi] Will we suffer that disadvantage through our entire history?...

[Fujimori] We will not have that disadvantage as we have in the past 10 years. We will be in a better position.

[Balbi] You must have taken time to coolly analyze this issue. In your view, where does the problem lie?

[Fujimori] There are two important factors supporting the subversion. The first factor is the front that makes it possible to finance the subversive activity; narcotrafficking provides massive financing. This is the main factor, and this is why we are giving it our priority attention. The second factor is the extreme poverty, the misery in which 50 percent of our population lives. This situation must be improved if we are to have an authentic democracy. Unfortunately, improving this situation will involve a protracted process.

[Balbi] What is the difference between the military tactics of this government and the military tactics of the previous one?

[Fujimori] No major change has taken place yet, but one will. [passage omitted]

[Balbi] Regarding drug trafficking, are you waiting for an answer from the U.S. Government? What is the next step?

[Fujimori] Steps are being taken. The U.S. Government knows our proposal. Several U.S. circles that received

our message are making evaluations. I can honestly say that noticeable progress has been made on this issue. There is an understanding of and identification with our proposals.

[Balbi] Who is going to make the next move?

[Fujimori] We are still taking the initiative. We sent Hernando de Soto to the United States, and he was well received. We will continue to insist. Peruvian and U.S. groups will be created to work together.

[Balbi] U.S. sources complain that you are not saying how your coca replacement program will be carried out.

[Fujimori] We explained all the problems on this matter to the U.S. officials. We have to negotiate to find out how to create the conditions for growers to replace coca. We gave the guidelines. After the appropriate studies are made, operational plans can be established.

[Balbi] When will the groups start to work?

[Fujimori] That depends on the two sides. But we are willing to start as soon as possible.

[Balbi] Will a more elaborate and concrete plan be prepared by the groups...?

[Fujimori] Yes, it will be a plan to battle drug trafficking, a well-coordinated plan under those guidelines.

[Balbi] Is there a deadline for signing the agreement?

[Fujimori] There is no deadline, but talks are being held to reach an agreement.

[Balbi] Changing the subject, why are your relations with the Navy so tense?

[Fujimori] They are not tense; they are completely normal. If you are referring to the retirement of some officers, that is within the law.

[Balbi] More officers have been retired in the Navy.

[Fujimori] Yes, but within the number allowed by law.

[Balbi] Why is it that more officers are being retired...?

[Fujimori] There has not been a single retirement in the Army yet. We therefore cannot make a comparison.

[Balbi] You did not attend the luncheon given by the Navy on 8 October. Does this indicate some disagreement...?

[Fujimori] (laughs).

[Balbi] Why are you laughing?

[Fujimori] There is a great deal of speculation. We attended a decoration ceremony...

[Balbi] But you did not go to the luncheon. Or is it that you do not want to reveal something you know.

[Fujimori] Perhaps. Of course, there are things I do not say...

[Balbi] Things that arouse my curiosity...

[Fujimori] I leave that to your imagination.

[Balbi] Will other members of the Armed Forces be retired?

[Fujimori] Yes, if necessary.

[Balbi] And that depends on what?

[Fujimori] It depends on some conditions (laughs).

[Balbi] Was the purge in the police made quickly?

[Fujimori] On one hand I was criticized because there was still no moralization, and on the other I was also criticized because many police officers were retired. Their retirements were necessary because there was too much corruption. Perhaps some police officers were retired without reason, but we had to do it. [passage omitted]

Fujimori Confirms Arrest of MRTA Deputy Chief

PY1711035290 Madrid EFE in Spanish 0033 GMT 17 Nov 90

[Text] Lima, 15 Nov (EFE)—Peruvian President Alberto Fujimori today confirmed the arrest of the deputy chief of the Tupac Amaru Revolutionary Movement (MRTA).

Speaking to the media, Fujimori confirmed that Sixto Garcia Torres, "Comandante Ricardo," was arrested by the police in Iquitos, in the Peruvian Amazon area. Garcia Torres was carrying more than $2 million, leading President Fujimori to comment that "this confirms that subversives are more closely linked to the crime of drug trafficking than to their own ideology."

Media sources identified Comandante Ricardo as the MRTA's second in command behind "Commander General" Victor Polay Campos, 39, who escaped from a high- security prison in Lima through a tunnel on 9 July—18 days before Fujimori's inauguration—with 47 other subversives.

General Mario Brito Romero, military chief of the Northeast Security Zone, was seriously wounded, and two people were killed in an attack four weeks ago ordered by Garcia Torres.

Comandante Ricardo, who led an attack on Yurimaguas last month, is considered the MRTA chief in northeast Peru. This is an area full of guerrillas and drug traffickers where the Peruvian Government wants to "restore order" and reestablish its presence. This region also features about 260,000 hectares of coca, and about 800,000 people depend on its cultivation.

Peru is the source of 60 percent of the world's production of coca, from which cocaine is made.

Along with Garcia Torres, the police also arrested Abel Camna Salas, "Comrade Lente," who is also a guerrilla chief.

The MRTA, a guerrilla movement inspired by Che Guevara, was created in 1984. According to state security sources, it is made up of 3,000 armed militants and operates in half of Peru's 24 departments.

In contrast with the Shining Path guerrilla group, which wants to create a "new state" virtually over the ashes of the current government, the MRTA wants "to forge popular power and organize the people."

Huanuco Police Post Attacked; Lima Judge Killed

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[Text] Lima, 16 Nov (EFE)—Police sources reported today that three policemen died and two were wounded in a terrorist attack on a National Police post in the Peruvian Department of Huanuco, while a judge and a policeman were murdered by unidentified attackers in Lima.

The attack on the police post in Puente Rancho, some 60 km from the department capital, took place on the night of 15 November, when 11 policemen were in the station. The sources added that the victims were Captain Jose Zamudio and Sergeants Hector Puria and Carlos Cuba; Sergeant Ricardo Aguirre and private Enrique Mendez were wounded.

The members of the terrorist column were reportedly dressed in military-type uniforms. For this reason they are believed to be activists from the Guevarist "Tupac Amaru Revolutionary Movement" (MRTA) group, whose members usually wear uniforms similar to those of the military.

In Lima, eyewitnesses reported that several unidentified people machine-gunned an automobile tonight, killing a judge and a police officer in Miraflores District. The vehicle in which the victims were traveling crashed into a pole when it went out of control.